

COUNCIL MEETING

August 28, 2019

The Council Meeting of the Council of the County of Kaua'i was called to order by Council Chair Arryl Kaneshiro at the Council Chambers, 4396 Rice Street, Suite 201, Līhu'e, Kaua'i, on Wednesday, August 28, 2019 at 8:30 a.m., after which the following Members answered the call of the roll:

Honorable Arthur Brun (*present at 8:30 a.m.; Excused 10:00 a.m. to 11:08 a.m.*)
Honorable Mason K. Chock
Honorable Felicia Cowden
Honorable Luke A. Evslin
Honorable Ross Kagawa
Honorable KipuKai Kualī'i (*present at 8:31 a.m.*)
Honorable Arryl Kaneshiro

(Councilmember Brun was noted as present.)

APPROVAL OF AGENDA.

Councilmember Cowden moved for approval of the agenda, as circulated, seconded by Councilmember Brun.

Council Chair Kaneshiro: Is there anyone in the audience wishing to testify on the agenda?

There being no objections, the rules were suspended to take public testimony.

There being no one present to provide testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Kaneshiro: Seeing none, is there any discussion from the members?

The motion for approval of the agenda, as circulated, was then put, and carried by a vote of 6:0:1 (*Councilmember Kualī'i was excused*).

Council Chair Kaneshiro: The motion is carried. Next item.

MINUTES of the following meetings of the Council:

June 26, 2019 Council Meeting
July 31, 2019 Council Meeting
August 14, 2019 Public Hearing re: Bill No. 2756

Councilmember Kagawa moved to approve the Minutes as circulated, seconded by Councilmember Brun.

Council Chair Kaneshiro: Is there anyone in the audience wishing to testify on the Minutes?

There being no objections, the rules were suspended to take public testimony.

There being no one present to provide testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Kaneshiro: Seeing none, is there any discussion from the members?

The motion to approve the Minutes, as circulated, was then put, and carried by a vote of 6:0:1 (*Councilmember Kualii was excused*).

Council Chair Kaneshiro: Next up, we have Katherine Lewi Otsuji from the Boards & Commission.

(*Councilmember Kualii was noted as present.*)

INTERVIEW:

BOARD OF REVIEW:

- Katherine Lewi Otsuji – Term ending 12/31/2021

ELLEN CHING, Boards & Commission Administrator: Good morning, Ellen Ching, Boards & Commissions. The Board of Review was established in 1987, by the Kaua'i County Code. It is this Board that is composed by a group of dedicated volunteers that hears and adjudicates all Real Property Tax Appeals. There are only four (4) grounds for tax appeals. It is mainly based on determination regarding how the property assessments are derived and applied. Ms. Otsuji is an ideal candidate for this position. She has been enthusiastically recommended by her colleagues, and fellow Real Estate agents and appraisers. As a Kaua'i resident for over thirty-five (35) years, and a Real Estate appraiser, she has the combined local and technical knowledge. Ms. Otsuji is passionate about health and fitness. In her spare time she enjoys working out and paddling canoe. She and her husband Marvin are the proud parents of local girl Kanani who graduated from the University of California Los Angeles (UCLA). She is now the Director of Operations for the volleyball team at UCLA. We welcome and thank Ms. Otsuji for her willingness to serve, and her time and expertise.

KATHERINE LEWI OTSUJI: Thank you.

Council Chair Kaneshiro: Ms. Otsuji, do you have a few words that you would like to share?

Ms. Otsuji: I would like to say that I am honored to be nominated for the Board of Review. I am happy to give back to the community which

is why I agreed to volunteer. I am very busy, however, there is always a way to make extra time for a way to give back to the community.

Council Chair Kaneshiro: Are there any questions? Councilmember Kagawa.

Councilmember Kagawa: Thank you. There was a case a few years ago where an individual was not happy with their Real Property Tax, and the way their taxes were assessed in that particular year. In example, for an Ōma'o property, they used a comparable market value to Kōloa. When I first glanced at this issue, I agreed with the individual who went through the process, and ended up losing. The Board of Review sided with the Administration. I am wondering if you are looking at this as an opportunity to review the public perspective. A lot of times, it is a "rubber stamp" where the Board of Review sides with what the Administration finds. In this tax area, where the market value is skyrocketing, it is making people pay money that they do not have, and I am hoping that the Board of Review is also able side with the publics point-of-view. You are talking about people who are not moving. They bought their property a long time ago and they are not going anywhere. They do not benefit from market values.

Ms. Otsuji: Right.

Councilmember Kagawa: I am hoping we are able to have a Board of Review who is able to help the taxpayers in having a voice towards their own bill.

Ms. Otsuji: I agree that the taxpayers deserve to have a voice. As an appraiser, I am trained to be neutral and unbiased. I am not able to come in with any predetermined notions. My work is strictly based on an analysis of market data. The difference between appraising an assessed value is that is it a mass appraisal. Not all assessors review it case-by-case compared to how I would do it. If an individual comes to me...I have done appraisals for tax appeals. They will come to me and say, "Hey, I do not think I could sell my house for this amount of money if I were to put it on the market. I believe my assessed value is too high." I would take a step back and review the individual property. I believe that is the difference, and how I am able to assist. When the tax assessors are looking at mass appraisals, they are dealing with a large amount of data. Perhaps, they miss something with an individual property which is why discrepancies occur. There are times where we need to go outside of neighborhoods for comparables. There are times where a location adjustment is warranted if you got to Weliweli Tract verses Kōloa Town. Ōma'o is a tough area because there are really nice properties, not so nice properties, and everything in between. Being that I am able to focus and examine the individual case...the property assessment that is in question, I believe it would be helpful.

Councilmember Kagawa: I would like to end with thanking you. It sounds like you are really busy. By volunteering your time, it is my hope that the public is able to have another perspective that they are able to rely on. To have someone with an objective mind, and not someone that will agree with the Administration and their findings.

Ms. Otsuji: Right, okay.

Councilmember Kagawa: Thank you.

Council Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: Thank you, Mr. Chair. I do not have any questions, but I did want to thank you for stepping up and contributing. Thank you for everything that you and Marvin do for the community.

Ms. Otsuji: Thank you.

Councilmember Chock: We appreciate you. I believe you will come to the table with great skills that we need to both objectively and individualistically. As you mentioned, the variables shift with the land layout. By having that expertise, it will help the people. *Mahalo*.

Ms. Otsuji: Yes.

Council Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: I want to also thank you for stepping up into this position because I feel it is really important. There are times that people lose their homes by not having a fair assessment. I see it looks like you have been an appraiser for twenty-seven (27) years.

Ms. Otsuji: Yes.

Councilmember Cowden: Do you work around the entire island?

Ms. Otsuji: I do.

Councilmember Cowden: You are familiar with the island. I have a lot of confidence that you will be engaged and fair. For the sake of the viewers, Ms. Otsuji and I have probably known each other for over thirty (30) years.

Ms. Otsuji: Yes.

Councilmember Cowden: We have paddled together for five (5) years and we had parallel businesses for close to twenty (20) years. I have seen you being a consistent leader, a calming factor, courageous, and capable.

Ms. Otsuji: Thank you.

Councilmember Cowden: I am really happy that you have been selected for this position because I feel that you understand the cultures and regions. I believe this is a really good choice.

Ms. Otsuji: Thank you, Councilmember Cowden.

Council Chair Kaneshiro: Councilmember Evslin.

Councilmember Evslin: I would like to echo that sentiment. I have seen firsthand your prowess as a competitive paddler. Most importantly, your skill

as an appraiser. For the Boards & Commissions, people are able to volunteer with not a lot of experience, but with a good heart and willingness to serve. For the Board of Review, it is necessary to have a specific skillset, which you have. Along with the willingness to serve and a good heart, that specific skillset is vital and you bring to the table. You are going to have a lot to contribute. For that, I really appreciate your willingness to volunteer and serve the community.

Ms. Otsuji: Thank you, Councilmember Evslin.

Council Chair Kaneshiro: Are there further comments from any other Councilmembers? If not, Ms. Otsuji, thank you for your service.

Ms. Otsuji: Thank you very much.

Council Chair Kaneshiro: We will vote on this next week.

Ms. Otsuji: It was nice to meet you all, and I look forward to working with you.

Council Chair Kaneshiro: Clerk, the next item is the Consent Calendar.

JADE K. FOUNTAIN-TANIGAWA, County Clerk: Chair, items on the Consent Calendar are for receipt.

CONSENT CALENDAR:

C 2019-188 Communication (07/25/2019) from the Director of Finance, transmitting for Council information, the Period 11 Financial Reports – Statement of Revenues, Statement of Expenditures and Encumbrances, Revenue Report, and Detailed Budget Report as of May 30, 2019, pursuant to Section 21 of Ordinance No. B-2018-841, relating to the Operating Budget of the County of Kauaʻi for Fiscal Year 2018-2019.

C 2019-189 Communication (08/07/2019) from the Director of Finance, transmitting for Council information, the Period 12 Financial Reports – Statement of Revenues, Statement of Expenditures and Encumbrances, Revenue Report, and Detailed Budget Report as of June 30, 2019, pursuant to Section 21 of Ordinance No. B-2018-841, relating to the Operating Budget of the County of Kauaʻi for Fiscal Year 2018-2019.

C 2019-190 Communication (08/15/2019) from the Director of Finance and the Accounting Systems Administrator, transmitting for Council information, the Inventory Report for the Fiscal Year Ending June 30, 2019.

Councilmember Chock moved to receive C 2019-188, C 2019-189, and C 2019-190 for the record, seconded by Councilmember Kualii.

Council Chair Kaneshiro: Is there anyone in the audience wishing to testify on the Consent Calendar?

There being no objections, the rules were suspended to take public testimony.

There being no one present to provide testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Kaneshiro: Seeing none, are there any comments from the members?

The motion to receive C 2019-188, C 2019-189, and C 2019-190 for the record was then put, and unanimously carried.

Council Chair Kaneshiro: Motion carried. Next item, please.

Ms. Foutain-Tanigawa, County Clerk: Next item on page 2.

COMMUNICATIONS:

C 2019-191 Communication (08/01/2019) from the Director of Economic Development, requesting Council approval to receive and expend State funds in the amount of \$128,978.00, and to indemnify the State of Hawai'i Workforce Development Council for the Rapid Response and Business Engagement Program for the period of June 30, 2019 through June 30, 2020, and to receive the following equipment valued at \$3,771.52: three (3) HP ProBook 440 with Windows 10 Pro, three (3) Three-Year Warranty, one (1) EcoFlow River 412 Powerbank, three (3) HP USB-C Universal Dock, three (3) HP Essential Top Load Case, and three (3) Logitech Corded Mouse, to support technical guidance for Kaua'i and Ni'ihau applicants displaced from employment due to Emergency (flooding, hurricane, et cetera) or have been laid off from employment due to business closure: Councilmember Kualii moved to approve C 2019-191, seconded by Councilmember Brun.

Council Chair Kaneshiro: Are there any questions from the members? I will suspend the rules. Nalani, you may have to come up. Councilmember Kagawa.

Councilmember Kagawa: Is this something new?

There being no objections, the rules were suspended.

NALANI BRUN, Operations Manager/Economic Development Specialist IV-Tourism: Nalani Brun, Office of the Economic Development, Program Administrative Officer. I would like to introduce Dan Fort, Workforce Investment Opportunity Act (WIOA), Executive Director, who is able to cover this information.

DAN FORT, Executive Director: Good morning, Dan Fort, Office of Economic Development. It is, in the sense that the County is going to be responsible for Rapid Response. Up until July 1, 2019, the State Workforce Development Council has been responsible for the Rapid Response from (Inaudible) notices that came out.

This was changed by the Director of Labor to take effect on July 1, 2019. The moneys that are received by the State, will be trickled to the County, where the American Job Center will be responsible for handling the Rapid Response initiatives.

Councilmember Kagawa: This is something new that the County will be helping...

Mr. Fort: Yes, sir. The American Job Center.

Councilmember Kagawa: Where is that located?

Mr. Fort: It is right across the Drivers Licensing Division department in the Hale Kōkua Building.

Councilmember Kagawa: Okay. Who will benefit from this?

Mr. Fort: The County and public will benefit from this. A good example would be when Kmart closed, Rapid Response was activated. Our partners, Workforce Development Division and the Unemployment Office collaborated. We went to Kmart and got our equipment. We were able to provide services to the people prior to being laid off. We were able to get them into either the hiring system, Unemployment System, or with local businesses, in hopes of doing a lay-off diversion. If this person is a cashier, and this company is looking for a cashier, are we able to move the person there.

Councilmember Kagawa: In the Kmart incident, does the Workforce Development Division higher more people knowing they have a high demand, or do they tend to be fully staffed in the event a business closes?

Mr. Fort: Can you repeat that?

Councilmember Kagawa: When Kmart closed, there were about one hundred (100) people that lost their job.

Mr. Fort: Yes.

Councilmember Kagawa: You need a lot of people to help them.

Mr. Fort: Yes.

Councilmember Kagawa: Do we always have that large amount of staff that is ready to go?

Mr. Fort: Yes. All of our partners are set to any event. Another example is the flood out on the North Shore. We were able to come together, pull from all of our partners, to head out and set up in Anahola and Hanalei. We were able to get together with the community to say, "Hey, what are we able to do in order to bring you the services that are needed."

Councilmember Kagawa: We would assist with the paperwork needed to collect unemployment or what is needed.

Mr. Fort: Yes, sir. Layoff diversion if necessary, business engagement, et cetera.

Councilmember Kagawa: We have not taken over the Unemployment Office?

Mr. Fort: No, sir.

Councilmember Kagawa: The State still has that office.

Mr. Fort: Yes.

Councilmember Kagawa: Thank you.

Council Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: I want to follow-up on Councilmember Kagawa questions. I have questions on what the program entails. This program began on July 1st.

Mr. Fort: The County.

Councilmember Kualii: The Rapid Response and Business Engagement Program.

Mr. Fort: Yes.

Councilmember Kualii: That started from State funding. How much was the funding received to get started?

Mr. Fort: This is the funding here, sir.

Councilmember Kualii: This is the initial startup for funding.

Mr. Fort: Yes.

Councilmember Kualii: One hundred twenty-eight thousand dollars (\$128,000). On the bottom, you say, "to support technical guidance for applicants." Do you already have applicants?

Mr. Fort: No, sir.

Councilmember Kualii: No. Are you going to go out and seek these applicants and utilize that funding?

Mr. Fort: This is a case-by-case issue.

Councilmember Kualii: Do you have an idea of who the potential applicants are? You talked about one hundred (100) from Kmart. Do you know the number from the flooding?

Mr. Fort: No, sir.

Councilmember Kualii: Or any other business closures?

Mr. Fort: As I mentioned sir, this is the beginning development. The State had been handling all of our Rapid Response prior to this. This is a whole new program coming to us. All of the data is with the Workforce Development Council and Kayla Rosenfeld, which I am able to get for you.

Councilmember Kualii: Okay. As you get started and serve the public...in six (6) months, it would be good to hear back from you.

Mr. Fort: Yes, sir.

Councilmember Kualii: Thank you.

Council Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: Is this one hundred twenty thousand dollars (\$120,000), almost one hundred twenty-nine thousand dollars (\$129,000), be an annual amount of money that will be given to us? Is this a one-time start-up and that is it, or are we going to receive funds yearly?

Mr. Fort: For every year, this is what they call a Fiscal Year 18/19. Each year is broken up into two (2) groups; sixty-eight thousand dollars (\$68,000). The one hundred twenty-eight thousand dollars (\$128,000) is two (2) years combined. Each year is sixty thousand dollars (\$60,000) to assess and assist with Rapid Response.

Councilmember Cowden: The funding amount is mainly for staffing costs. Did the computer equipment move over from another office or did we receive brand-new equipment?

Mr. Fort: These are brand-new equipment that came from the State.

Councilmember Cowden: Is it in the plan, I would like to be in the plan if it is not, for us to receive annual routine reports.

Mr. Fort: Yes, we are able to do that.

Councilmember Cowden: Being that this is the first year, a six (6) month report would be helpful so we are able to help in areas that is needing assistance. We want to assist and ensure we are being effective. I want to thank you for your commitment on this new project. If possible, are we able to get a copy of what it was and what has happened in the past few years? Dating back to when Kmart was open, that was about three (3) years ago?

(Councilmember Kagawa was noted as not present.)

Mr. Fort: Yes, ma'am.

Councilmember Cowden: It would be interesting to see data on how the State was able to perform. I believe for the County, we are little closer to the people. Hopefully we are able get that faster and effectively.

Mr. Fort: I am able to get that for you.

Councilmember Cowden: Thank you so much.

Council Chair Kaneshiro: Is there any other questions from the members? If not, thank you. Is there anyone in the audience wishing to testify on this item? Mr. Sykos.

(Councilmember Kagawa was noted as present.)

LONNIE SYKOS: Good morning, Council. For the record, Lonnie Sykos. Councilmember Cowden raised one (1) question that I had, but I did not understand the answer that we were given. What is the timeframe for this? In C 2019-191, it says this is a period of June 30, 2019 through June 30, 2020. However, some aspect of this is a two (2) year deal. The other reason I am taking up the public's time is because what I heard is talking points in comparison to a marketing presentation. As a member of the public, I would like to see the business plan

notating the accounts receivable, accounts expendable, and how we measure the value of this program; in which I did not hear today. It has nothing to do with them personally. As a generic issue of government, this does not serve the public well by taking our tax money, giving it to some aspect of the government, with no idea of measuring the value of what they accomplish or do not accomplish. My question with this is, what are they trying to accomplish and how do we measure it? Thank you.

Council Chair Kaneshiro: Is there anyone else in the audience wishing to testify? Seeing none. Mr. Sykos, do you want to testify a second time? You are good.

There being no further testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Kaneshiro: Is there any comments? Councilmember Cowden.

Councilmember Cowden: Prior to being on the Workforce Enforcement Act Committee, I have an idea on how we are able to receive measurements. One (1) of the reasons why I asked for a six (6) month reporting period for the first year. The reason why we would want to look at what the State achieve...in answering Mr. Sykos's question, we would be looking for a minimal achievement in comparison to the State in hopes of seeing a trend line of improvement. It seems evident to me that a part of that business plan would include how the outreach goes out to a business, so they know they are able to come in. This will be communicated. Right now, I am taking this moment to communicate to businesses out there, we have a new area in the County to help you. If you foresee layoffs, if there is a crisis, and for many businesses hungry for quality employees, not only do you have the State Unemployment Office, but at Hale Kōkua we will have another desk there available to assist citizens. Measurements will be easy to look at data of how many businesses we help, how people do not lose their jobs, and how to move forward. Through the County, Workforce Investment Act, and Workwise certainly has had experience with measuring data. I believe it has been effective, I am happy to bring a little of this close to home, and being able to help our community. Thank you. I believe the other question was a two (2) year window. When roughly, one hundred twenty-nine thousand dollars (\$129,000) is received by the County, one half (½) goes out in the first half of the budget year, and the second half will go out in the second half of the budget year. Thank you.

Council Chair Kaneshiro: Is there anyone else? Councilmember Kagawa.

Councilmember Kagawa: I am not going to pretend to be an expert on everything. I will say this. People lose jobs every day. I believe we need to have

some type of service that will help them especially if they are willing to work. I rather help people that are willing to work than help people that are not willing to work. This is better than giving the homeless money, a lot of them do not want to work. If people want to work, if they want to get back to work, if they lost their job for one reason or another, it is good that the government is there. Either way the employer pays. The faster we are able to get them off of unemployment, it is better for the previous employer, and now able to hire someone that is able to help their business. It is the way our system is set up. The current state of government is we want people working rather than having them on welfare or unemployment. We are playing our part. If the State does not want to do it, the County has picked up the tab. We were always here. The local government is the closest to the people. When there is something important that needs to be done, what the Office of Economic Development has done is the responsible thing to do. We need to try and keep that service open that is important to the public. Mr. Sykos, you are concerned about accountability. When you have Federal Grants, the reporting process is very strict. Now that I am a Title I Coordinator at Waimea High School, there is very strict restrictions. Is the government always profitable in their reporting compared to a business? I do not think so. A lot of times we wish the government is as profitable compared to businesses. However, the government helps everyone and businesses only helps who they want too. In government, we do not make profit. We need to try and help everyone which is not always the most profitable thing to do. I want to thank the Office of Economic Development, they are doing what is responsible and good for the public. A lot of local people tend to go in and out of jobs. As long as they want to continue to work, that is a good thing. When they do not want to work, that is when we are in going to be in trouble. Thank you.

Council Chair Kaneshiro: Is there anyone else?

The motion to approve C 2019-191 was then put, and unanimously carried.

Council Chair Kaneshiro: Motion carried. Next item, please.

C 2019-192 Communication (08/02/2019) from the Deputy County Engineer, requesting Council approval to receive a reimbursement of funds from the State of Hawai'i Department of Land and Natural Resources (DLNR) in the amount of \$325,000.00 for the emergency work completed to remove debris and vegetation which clogged the Mamalahoa Stream posing a threat to the health and safety in the Waioli section of Hanalei pursuant to the signed Memorandum of Understanding (MOU) dated September 11, 2018: Councilmember Chock moved to approve C 2019-192, seconded by Councilmember Kualii.

Council Chair Kaneshiro: I will suspend the rules, there is a question from Councilmember Cowden.

(Councilmember Evslin was noted as not present.)

There being no objections, the rules were suspended.

LYLE TABATA, Deputy County Engineer: Good morning, Chair and Councilmembers, Lyle Tabata, Deputy County Engineer.

Councilmember Evslin: Thank you so much for working on this area. You are talking about the area of where the hillside covered down over the stream. Where the Japanese Cemetery was?

Mr. Tabata: No, this is further in. Mamalahoa Stream feeds about half way up the valley, at the ford crossing, which borders several properties.

Councilmember Cowden: Okay.

Mr. Tabata: The debris pile redirected the stream flow that flooded several residents in that area.

Councilmember Cowden: Okay. You had it cleared?

Mr. Tabata: Yes. Rapid Response hired a contractor to clear and open up the area to prevent further flooding.

Councilmember Cowden: For clarity, the State will be reimbursing the County for the work.

Mr. Tabata: Yes.

Councilmember Cowden: Is the work completed?

Mr. Tabata: Yes.

Councilmember Cowden: Okay, thank you so much.

Council Chair Kaneshiro: Are there any other questions from the members? If not, thank you. Is there anyone in the audience wishing to testify on this item? Mr. Sykos.

(Councilmember Evslin was noted as present.)

Mr. Sykos: For the record, Lonnie Sykos. Thank you to the County and specifically to Public Works for recovering this money. It leaves the public asking the question that if the State is willing to reimburse us for doing their work in the stream clearing, why the State not reimburse us for doing their work in other activities such as using the County helicopter to rescue people from State property. I would encourage the County Council to look into that, and schedule a public hearing in the future. Thank you.

Council Chair Kaneshiro: Thank you. Is there anyone else?

There being no further testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Kaneshiro: Is there any final discussion from the members?

The motion to approve C 2019-192 was then put, and unanimously carried.

Council Chair Kaneshiro: Next item, please.

C 2019-193 Communication (08/15/2019) from Councilmember Chock and Councilmember Evslin, transmitting for Council consideration the following measures for inclusion in the 2020 Hawai'i State Association of Counties (HSAC) Legislative Package and the 2020 County of Kaua'i Legislative Package:

- A Bill for An Act Relating to Highway Safety, to place the responsibility on the seller of a motor vehicle to properly report, in a timely manner, the transfer of ownership of such vehicle to the director of finance; and
- A Bill for An Act Relating to Highway Safety, to establish a new fee to be paid by U-drive motor vehicles for each certificate of registration, which has the effect of assessing all motor vehicles (including U-drive motor vehicles) the same amount for beautification and costs related to the disposition of abandoned and derelict vehicles.

Councilmember Kualii moved to approve measures in C 2019-193 for inclusion in the County Legislature Package and approve to forward measures to HSAC for inclusion in the HSAC Legislature Package, seconded by Councilmember Brun.

Council Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: Mr. Chair, if you do not mind, as co-introducer along with Councilmember Evslin, if I am able to share a quick briefing on where this came from. A few months ago, we had a presentation from the Kaua'i Police Department (KPD) on abandoned and derelict vehicles. We have been inundated with constant calls about the status of these vehicles. We have hired two (2) people to run this program. In coordination with the Department of Finance and KPD, for this particular program, have worked together with us to see how we are able to increase capacity and efficiency. During that discussion, there were multiple remedies. Two (2) were related to the State function, and we have asked for it to be considered as an amendment to the Hawai'i Revised Statutes (HRS). First, is being able to track these vehicles. The request is asking that the transfer of the ownership on the "seller" to be responsible. This is so we are able to track the original owner. Second, the Bill for an Act is to increase the cap on rental cars to be used towards the beautification fee. The beautification fee will be used to cover the abandoned vehicles. Right now, there is a ten dollar (\$10.00) cap on personal vehicles for residents, and I believe there is a cap of one dollar (\$1.00) for rental cars. I feel that is quite unfair

for us. Currently, we are paying residents five dollars (\$5.00) out of the ten dollars (\$10.00) cap. What we are asking is for the State to lift the cap to be an equal amount of ten dollars (\$10.00), raise the fee for rental cars, in order to properly care for the abandoned vehicles program. The abandoned vehicles report stated, "If we are able to receive a little more financial support, they would be able to continue the expansion to the responses received, and affect a change in picking the abandoned vehicles that are dropped off in public areas." We hope the State Legislature is able to take this into consideration, as we are asking for this to be included in the Kaua'i Legislative Package and in HSAC. Thank you, Mr. Chair.

Council Chair Kaneshiro: Are there any questions? Councilmember Cowden.

Councilmember Cowden: Okay, the word U-drive means rental cars, correct? I have been talking to the Division of Forestry and Wildlife. There is a handful of abandoned rental cars in the area of Blue Hole, which is on State land. The cars have been abandoned because they got stuck, right. That is what generally happens. Is it the responsibility of the County or the rental car company to remove the vehicle?

Councilmember Chock: I am not certain. I do not believe it is the County's responsibility being that there is a clear owner to the vehicle.

Councilmember Cowden: It is State land.

Councilmember Chock: They have a responsibility to the vehicle, the owner needs to figure out how to remove the car.

Councilmember Cowden: Okay.

Council Chair Kaneshiro: Councilmember Evslin.

Councilmember Evslin: To my understanding, as long as it is State land, I believe the State is responsible to coordinate removal with the owner. It is not the County's responsibility.

Council Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: As far as talking about the inclusion of next year's HSAC Legislative Package for the Legislature...we need to get that soon, we were told that we would like to possibly get a lobbyist on-board by October, to talk to the Legislature. With that being said, any measure that comes from Kaua'i will go to each island for approval, then forwarded to the Executive Committee. In order for it to get to each island, if you feel strongly about your item passing, be there when it is on the HSAC agenda. I am a Councilmember, but I may not necessarily have all the answers. There are other members on the HSAC Executive Committee who are very concerned. We heard a lot of concerns, especially from Hawai'i County who have a lot of problems of their own, and the *mauna*. They have a lot of proposals that are not statewide type issues, and a lot of their proposals pertain to Hawai'i County. It

is clear that this proposal relates to derelict vehicles. I know that this is a problem for the City & County of Honolulu, I do not know if it is a problem on Maui and Hawai'i County. We want to ensure that we focus on the issues that will have a good chance of passing. If we do not have the right answers, it will most likely not pass on the other islands. If there is one (1) island that votes this down, it will be a "no." You could have three (3) islands that vote "yes," one (1) island has a 5:4 vote "no," it will not get onto the HSAC Legislative Package.

Council Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: Councilmember Kagawa, after everything is passed, will the HSAC Executive Committee have a say to introduce their own proposals?

Councilmember Kagawa: No.

Councilmember Chock: How does that work?

Councilmember Kagawa: It is formality that it goes on the HSAC Legislative Package. When the Kaua'i bill is received by the HSAC Legislative Package, it will be distributed at the Executive Committee. We will receive the item, and it will go to each island for voting. If each island has a majority vote "yes," it will go on the HSAC Legislative Package. It has to be approved by a unanimous vote on each island in order for it to be passed. It has been shared repeatedly, to be sure there are items on the HSAC Legislative Package that will benefit the entire State. It did not come from Kaua'i, but there were a lot of items that affected specific areas. In example, Hāna School asking for funding; that should be placed on the Maui Package and not the HSAC Legislative Package. A lifeguard issue on Hawai'i County, that should be placed on the Hawai'i County package. I want us to be prepared. These two (2) items meet the criteria. Keep your ideas coming, you will never know. First, be sure to get support here on Kaua'i, that our staffs time is not wasted, and you will never know if you will get the support from Hawai'i County. You will never know, it may be a close vote, you will need to try. Thank you.

Council Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: Thank you, Christiane for working on this over the past few months. For clarity, this bill would allow for the same assessment to be applied equally to "all" motor vehicles. It would not mean one (1) higher than the other. Everyone will receive a fair shot for the U-drive and the private vehicle; both will receive the same assessment.

Council Chair Kaneshiro: Councilmember Evslin, Councilmember Cowden, then Councilmember Kualii.

Councilmember Evslin: I want to add a little to this. We are all aware being that we have been hearing about the abandoned vehicles. We also know about some of the barriers in trying to come up with solutions. For the public, it has been mentioned that there is not much accountability for the person who owns the vehicle.

If they do not transfer the title, if we try to cite the owner for the abandoned vehicle, it is not under their name or the person they bought the vehicle from. When you finally find the person who owns the vehicle they say, "I sold this car five (5) years ago." In placing the responsibility on the seller, as we understand most States do, it will be the seller's responsibility to transfer the title. For the second proposal, it seems obvious that the two (2) fees should be equal. It has been brought to our attention that there is a number of abandoned U-drive vehicles. At the time this was set up, the possible rationale may have been stated that rental cars would not get abandoned, and they should pay less. That is definitely not the case. Thank you.

Council Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: A lot has been said. I would like to second Councilmember Kagawa. I believe there is a lot of value when it comes to the real decision. I feel that a letter should have been written ahead of time to explain this to the Councilmembers. I do not believe it is clear. Councilmember Kagawa brought it up at the HSAC meeting, but did not have the background of the difference between the one dollar (\$1.00) and ten dollar (\$10.00), which is really compelling. We did not hear any other counties naturally bringing this issue up. I do feel that it would resonate with everyone.

Council Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: There is two (2) separate issues. I support the fairness with capping the ten dollar (\$10.00) fee for rental cars. Why did you put the two (2) items together? For the other item, it is basically saying that for all car owners, the buyer is responsible to register. The law is saying, "Change from transferee to transferor." To change it from the buyer to the seller. I know this is an issue with abandoned cars. This is only when they are not able to find the Vehicle Identification Number (VIN), right? Ultimately, the seller is still responsible if her/she did not go in to sign the title over, and assuming the buyer did not do it. This is saying that there is a one hundred (\$100.00) fee. Now you are saying, if all the sellers do not sign the title over, they will have a one hundred (\$100.00) fee. That is a little more difficult to make a decision versus the first proposal to make the cap fair of ten dollars (\$10.00). I am wondering if you are able to separate this.

Councilmember Chock: To my understanding, the responsibility will be placed on the seller.

Councilmember Kualii: I know.

Councilmember Chock: Right, the problem is...

Councilmember Kualii: I sold a car. It was to my cousin. Neither of us did the paperwork. After time, the car broke down. When the County found the vehicle, they got the VIN, saw that I was the registered owner, therefore I was responsible. I had to pay a fee to haul it off. Of course, I was upset at my cousin, but I was responsible, and I did it. Now, you are saying that situation of punishing the seller for not transferring the title, is still in place if they are able to identify the

registered owner. When they are not able too, they want to charge the person a one hundred (\$100.00) fee. I also something else that was a fifty dollar (\$50.00) fee. Why is it one hundred dollars (\$100.00) and fifty dollars (\$50.00)?

Councilmember Chock: I do not know about the fifty dollar (\$50.00) fee.

Councilmember Kualii: Anything in the law that is included, if it is written in the existing law, if it bracketed or underlined it means a deletion and addition.

Councilmember Chock: What page are you on?

Councilmember Kualii: It is the first page after the memorandum. There is no numbers. On the bottom...

Council Chair Kaneshiro: It is on the first page, line fourteen (14).

Councilmember Kualii: Yes, line fourteen (14). The third line from the bottom is where the change is. It becomes "transferor" who is the seller, and at the bottom it says to charge a fee of fifty dollars (\$50.00).

Councilmember Chock: Yes, that was in existence prior to this.

Councilmember Kualii: Right. It is a change to make it to the "seller" instead of the "buyer."

Councilmember Chock: That is correct.

Councilmember Kualii: It looks like it is just adding, what is it deleting? On the second to the last page, line ten (10) and eleven (11), "Any person who violates the subsection shall be fined not more than one hundred dollars (\$100.00)." Is that saying fifty dollars (\$50.00) is not more than one hundred dollars (\$100.00)? Does that mean putting a cap on the one hundred dollars (\$100.00), but the fine is fifty dollars (\$50.00)? Maybe it is?

Councilmember Chock: The difference may be in the newer certificate of ownership.

Councilmember Kualii: I am ready to support the second part, but not the first.

Councilmember Chock: My only response would be that the reason why the request was made from KPD, was to look towards where the trouble is. Where they are having the discrepancies and not being able to follow through on the clearing for those vehicles.

Councilmember Kualii: Right. Why is it one hundred dollars (\$100.00) and not fifty dollars (\$50.00)?

Councilmember Chock: I believe those fees were there prior. The amendment is only to transfer who is responsible.

Councilmember Kualii: From the seller to the buyer.

Councilmember Chock: It is not the amount, the amount was there prior.

Council Chair Kaneshiro: I have a question on the process. I have not sold or bought a used car in a long time.

(Councilmember Kualii was noted as not present.)

Council Chair Kaneshiro: As far as responsibility, if the seller does not turn the paperwork in, does it restrict anything on the buyer's end? If the buyer is not able to get their registration. It does not do anything.

Councilmember Chock: I do not think so. I believe that is why it is not being done. There is no reason for the seller to encourage the transaction to occur. The bottom-line is it is not happening, which is why they are not able to track the vehicle.

Council Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: I have a question about the abandoned vehicles. For example at Blue Hole, there a rental car that is in the river and got washed down. Fortunately, the people were able to be rescued. They did not drown, but there was a family of four (4) that was in the car. In Wainiha, we have pulled out so many cars out of the river. Once a car goes into the river, the car is ruined. No one is going to say anything or no one will see it. It is a problem. Where is that fixed into who is responsible?

(Councilmember Kualii was noted as present.)

Councilmember Cowden: I believe it is a problem. The number of cars that were pulled out from Wainiha Stream. Some of them have been in there for a long time. Is that a State or County issue? Are the rivers on State land?

Councilmember Chock: I believe the rivers are on State land. We should probably receive a proper response for your questions. As it relates to the floods and all that was taken out from the river, I believe there was funding that was specifically used to clear the debris.

Council Chair Kaneshiro: Are there any other questions? Seeing none, is there anyone in the audience wishing to testify on this? Mr. Sykos.

There being no objections, the rules were suspended to take public testimony:

Mr. Sykos: For the record, Lonnie Sykos. I would like to thank the Council for pursuing these two (2) items. They need to be addressed. I have concerns about the item regarding transferring of information with the sale of the used car. We, the public, were not given access to the electronically proposed bills. We do not know what the actual language of the bills are. What I am trying to figure out in my head as I listen to this is, what is the difference between our current system that does not work and what we are trying to propose here. Your title has a little strip of paper on the top that you are supposed to write the name and information of the new owner, I believe it is within ten (10) days, you are supposed to turn it in to the Department of Motor Vehicle (DMV). If the public fails to do this, you can either punish the public into performance...trust me, one hundred dollars (\$100) is not enough. If you want to make everyone aware that they need to do this, try a ten thousand dollar (\$10,000) fine. Not that I am proposing that, but if you actually feel a fine will influence this, you need to think again. We would need a public information campaign which will take time to do, but you are able to explain to the public on the importance of returning this piece of paper. I am not grasping on how the discussion will change in any significant matter in how the system already does not currently work today. If you are able to illuminate me please, thank you.

BRUCE HART: For the record, Bruce Hart. I thought I saw a little confusion on some of the Councilmembers face. I am a bit confused. I would like to as a simple question. I have an abandoned vehicle on the street that I live on. It has been there for three (3) years. I am reluctant to report it, because from what I understand, the County will pick up the tab. I know who the vehicle belongs to. I feel they need pay in order to have it towed away. I see and hear a lot of this. People who work and pay taxes are upset that there are abandoned vehicles. They know who it belongs to and they do not think the taxpayers should have to pay for it. Am I correct? Do we pay? "We" meaning the County, we pay. What we are proposing here is that we will assess an equal fee to rental cars and private vehicles so that everyone will pay the same. In the end, we all pay for the derelict vehicles. You probably feel the same way as I do. I feel that the people who own the vehicle should pay. It is encouraging them. They do this because they know if they drag the vehicle somewhere, leave it sitting there, sooner or later someone is going to pay to have it towed away. Thank you.

ALIX ERIE: Hi, Alix Erie. Just to clarify the process of registration transfer for someone who has bought a used car recently. It is a very simple process. You turn in the title that is signed by the both parties and the cost is five dollars (5.00). It is very simple. At this point, it is the responsibility of the buyer. In other states, both parties need to be there. In some states, it is the responsibility of the seller. I wanted to clarify that as it was asked.

Council Chair Kaneshiro: Is there anyone else? Mr. Sykos, for a second time?

Mr. Sykos: For the record, Lonnie Sykos. This is an issue for all counties. I am able to state personally, in 1974, this was a big issue in the back of Mānoa Valley in trying to figure out how to remove hundreds left at the chop-shop. For the twenty-five (25) years that I lived on Maui, it was an issue every single year.

Whether it was abandoned vehicles or vehicles lost in rivers. For the unintended consequences, one of things I think about is the deviousness of human beings and the fact that people abandon their vehicles for many reasons. None of the reasons is having to do with the good of the public. The problem that will arise is, let us say we have a ten thousand dollar (\$10,000) fine or you go to jail, however it is that you are going to force me to go into the County to say, "I sold my used car to John Doe," that responded to the ad. There is no legal mechanism for me to actually know who it is I sold my car to. They would be able to give me any name or address. I write it down and give it to the County. This may not be in alignment with the name they give when they take the registration in to transfer the title into their name. I am talking about a slip of paper that you turn into the County. I am able to tell you right now out of human nature, the next issue that is going to come up is, how do you know who the buyer of the car is? Right now, that is totally unregulated. That will become an issue, and it needs to be thought about at the time that we are doing this. Thank you, good job, keep it up.

Ms. Erie:

One more thing.

Council Chair Kaneshiro:
record.

I am sorry, please state your name for the

Ms. Erie:

I am sorry, Alix Erie. I forgot about a potential solution, maybe not to enforce but to encourage people to buy insurance that would cost three dollars (\$3) per month for towing. That has been a good solution for a lot of people. Three dollars (\$3) is not a lot. The insurance will be responsible for it.

Council Chair Kaneshiro:
to testify?

Is there anyone else in the audience wishing

There being no further testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Kaneshiro:

Councilmember Cowden.

Councilmember Cowden: I have two (2) thoughts. Perhaps, we should separate these two (2) bills in terms of how we are doing the process. It is a process piece where we are able to vote on the U-drive separately from the transfer. It seems to me that we are able to have two (2) separate tabs; one (1) for the seller, and one (1) for the buyer. They are both able to sign the slip, both the buyer and the seller will be protected. I feel as a buyer, if I gave someone four thousand dollars (\$4,000) to buy a car, I am trusting the seller to turn in the paperwork, what if they never do. By doing this, we are taking care of the buyer in terms of proof that they own the car, and we are taking care of the seller in terms of them not being held responsible for misuse of the vehicle. They will both be covered. Perhaps, that is something we are able to amend into our suggestion for this bill.

Council Chair Kaneshiro: I have a question. How does the buyer know if the seller did not turn in the paperwork?

Councilmember Chock: The suggestion came from the program and KPD because they had researched other areas in other jurisdictions where it is properly working. They found when they switched to the buyer being the responsible party, it gave them an avenue to track, and they increased their rate of success with identifying the abandoned vehicle owner. That is the suggestion, which is why we went down that road. If there are specific questions, maybe we are able to have KPD and the program specialist to be here. This was their suggestions and request for this to be submitted. Councilmember Evslin, do you have anything else to add?

Councilmember Evslin: No.

Council Chair Kaneshiro: If I buy a vehicle and sign off on the paperwork, I have no clue if the seller is going to turn in the paper or not. What do I do then? I do not receive my registration every year. Eventually it will be put in my name, I get a bill for registration, or back fees. I want to ensure that we do this properly and there is nothing that will fall through the cracks. If we are able to go through the process and scenarios of if we do this—this will be the back-up or if we do this—then this will happen. I do not want us to forward this to HSAC or the State and we would need to do modifications regarding issues that are not working correctly. Councilmember Cowden.

Councilmember Cowden: Are we able to ask the police department and the DMV if there is a problem with doing a double tab? Getting people to go into together, that will be problematic. It will not work for many people. I feel that this will protect both the buyer and the seller. The title transfer will be a secondary reason to ensure that the title transfer is not the problem if the vehicle is abandoned. The primary reason will be to have a true transaction at the sale. Right now, we are looking into not having all of these removal fees and problems. I do not see a reason why a double tab would not work. If one or the other turns the slip in, the process is handled. Are we able to ask to see if we are able to change or amend this? You are the one that wrote the suggestion.

Councilmember Chock: I am not certain if we are able to do that. I am not able to answer your question. You need to ask that question and I am not sure where that sits in terms of the statute. If what we are talking about is most likely sitting within the Administration rules on how it is put together. I am not able to answer you.

Councilmember Cowden: Okay.

Council Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: For me, with hearing some of the concerns and requests, I believe the merits of trying to make a change in listening to KPD for a suggestion is a good thing. I believe KPD and their Derelict Vehicle Coordinator is saying the current system needs improvement. What do you do in order to make an improvement? You need to change. If you remain the same, you will get the same results. For the HSAC Legislative Package, I see the same questions that come up on each island. This definitely should stay on Kaua'i package for this issue, because

I feel it will be difficult to pass through each island. One island may want one (1) tab and another island may want two (2) tabs. The HSAC Legislative Package needs to be really strong. Items like invasive species, fire ants, et cetera, items that the other islands do not want, when it comes to policies with the different Directors of Finance, we will have a hard time gaining the votes on all four (4) islands. The item regarding U-drive motor vehicles is clean and would be able to stay on the HSAC Legislative Package.

Council Chair Kaneshiro: Councilmember Chock.

Councilmember Chock: Here is what I would suggest as an alternative option. If there are additional questions which it seems that there are, we need to get clarity. I see the Director of Finance here, she was part of the discussion in the meeting. KPD and the Derelict Vehicles Coordinator was also present. Like any other bill, we would look at this closely, if we have the time. I am not certain that we have the time.

Ms. Fountain-Tanigawa: According to the schedule, it could go to the September 4th Committee Meeting.

Councilmember Chock: I would like to add that there were additional remedies that were talked about. The Director of Finance were looking at other remedies. These were two (2) that stood on the State's end. It was not exclusive and this was the only things that we were going to do. It was a broader approach to it. That is all I have.

Council Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: Are we able to ask the Director of Finance since she is here and what she thinks about that?

Council Chair Kaneshiro: Yes, if she is prepared to answer.

Councilmember Kagawa: May I ask a process question?

Council Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: Where is the KPD Attorney that is supposed to help to solve some of these issues? I know when they asked for an attorney...it is a different chief now. Is it not the same attorney that is still there? Do they have an attorney?

There being no objections, the rules were suspended.

MATTHEW A. BRACKEN, County Attorney: They do not have an attorney.

Councilmember Kagawa: They took the attorney to help KPD, and now the attorney disappeared? Wow.

Mr. Bracken: Yes, they have a vacancy.

Councilmember Kagawa: Amazing. You are able to say, "I really need this attorney," and in the next year there is no attorney.

Council Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: Would it be a problem to put two (2) tabs on this? If I were to buy a car from someone, to me it is a lot of money. They say, "Trust me, I will turn this in." I would not feel right to be able to walk away from that. That would be very nerve-racking. I hear the need for the police. What would it be and would it be a problem to put two (2) tabs?

REIKO MATSUYAMA, Director of Finance: I will try to answer some of the questions. I feel that a follow-up through KPD would be better. I do not know how accurate I will be, I will speak to the conversations that I have had with KPD. This first bill to put the onerous on the buyer is actually the most important thing that they need.

Councilmember Cowden: Onerous on the seller, we will be shifting to the seller.

Ms. Matsuyama: Yes. That is the most important thing that would help them with their abandoned car problem. The fact of the matter is that we have people abusing the system. Their vehicle transactions are being done fraudulently. There is no one to collect money from on the back-end when the vehicles are disposed of illegally.

Councilmember Cowden: Are you able to see when someone is buying the vehicle. For vulnerable buyers...sitting here I am probably the most vulnerable buyer. People take advantage of other people regularly and routinely. I want to ensure we are not putting them vulnerable to that if it is stated to the seller. The police may say for the sake of picking up the car, but also in terms of having a stolen vehicle. A person could be driving a car for two (2) years and in the end it looks like a stolen vehicle because their name is not on it.

(Councilmember Brun was noted as excused.)

Councilmember Cowden: That is a problem for the police department. I would like to be able to ask KPD if they see any problem with having two (2) pathways. We are double ensuring. I do not see any downside of having the potential to rest with either the buyer or the seller. It is my hope that both would go in together and they are double-checked at DMV. I believe we will have less theft. Inconceivably, you could be in someone else's car, take the title out, and someone could sell another person a car. They would not even know. It puts DMV in a problematic position. To me, a double tab would help every island. I do not see a reason not ask for that. Do you see a problem?

Ms. Matsuyama: I am not sure about the actual administration of how the process would work. I know KPD has done a lot of research in terms of what the other states do. This Bill replicates some of the “good things” that they found in how other states worked out their mechanics.

Councilmember Cowden: Okay, thank you.

Council Chair Kaneshiro: Councilmember Evslin.

Councilmember Evslin: If we made this change and with a miracle it makes it through the state process, the onerous will be on the “seller.” As it has been mentioned, if the “seller” does not turn in the slip, but the “buyer” has the title who goes to register the car, would they still be able to register the car? Would it then be under their name?

Ms. Matsuyama: I believe so, I do not know.

Councilmember Evslin: This may be for follow-up, if the two (2) slip forms might be unnecessary because the “title” acts as the second slip when they register the vehicle...

Ms. Matsuyama: Could you send a follow-up, I am not sure how it is going to work.

Council Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: My question is about the operation. When the law passes, the seller is now responsible to submit the paperwork. If they do not, they are subjected up to a one hundred dollar (\$100) fine. How will our department implement and enforce the fine? Are they going to go after every person? A fifty dollar (\$50) fine is for ten (10) days, and a one hundred dollar (\$100) fine is for thirty (30) days. If you are going to go after everyone equally for forgetting, you will have a potential way of raising more funds when it is not only going after the incident of when a vehicle is abandoned. It is not about abandoned vehicles, it is also about not submitting the form. The seller is now responsible to turn that in.

Ms. Matsuyama: By making this change, it will assist with our abandoned vehicle problem.

Councilmember Kualii: To problem...

Ms. Matsuyama: The problem we have with abandoned vehicles.

Councilmember Kualii: By raising money?

Ms. Matsuyama: No, not by raising money.

Councilmember Kualii: How else?

Ms. Matsuyama: Okay, maybe this should come as a follow-up.

Councilmember Kualii: If the seller does not have any control of what the buyer does, they only have control over releasing their title, and make sure that the County knows that. By doing this, you are saying that you are able to find the buyer who abandoned the vehicle.

Ms. Matsuyama: Yes.

Councilmember Kualii: Even if the VIN is not on the vehicle?

Ms. Matsuyama: It depends.

Councilmember Kualii: How do you tie it together with your records and what is on the vehicle...the year, make, and mileage.

Ms. Matsuyama: You would have the correct buyer. You are able to say "buyer" and "seller". I would be able to say, "I sold a vehicle to KipuKai Kaneshiro." I would be able to make a name up and there is no one coming in on the back-end to validate that statement. The problem they are having is they are sending notices to people and addresses that do not exist. It is not about recouping the money and the fine, but it is the ability to track the person who is responsible.

Councilmember Kualii: Are you going after that person who gave you false information, or are you not able to because you do not know where that person is?

Ms. Matsuyama: We are not able to because they name we have on the title is KipuKai Kaneshiro.

Councilmember Kualii: Who gave you that?

Ms. Matsuyama: There is no tracking purpose for it.

Councilmember Kualii: For procedure purposes, it seems that we should have that information. Are you going to take information and not consider where that information came from?

Ms. Matsuyama: That is how the law...

Councilmember Kualii: It is a procedure not the law.

Ms. Matsuyama: Okay, maybe I should not speak to this.

Councilmember Kualii: Yes, I know you are speaking only because the other person is not here.

Ms. Matsuyama: I do know that KPD feels strongly about this Bill.

Councilmember Kualii: KPD is not implementing the information on whether or not you submitted the form, updated registration, and if you are paying the one hundred dollar (\$100) fee, right?

Ms. Matsuyama: Right.

Councilmember Kualii: KPD is only doing abandoned vehicles, and you are going to be the beneficiary of the one hundred dollars (\$100) that we collect on everyone who forgot to their paperwork, and the vehicle was not abandoned. When the “buyer” submits the paperwork on their end, do they absolve the “seller” from not turning in their paperwork within thirty (30) days assuming that you have the correct information? It seems as if you need the information from both sides and you need to hold them accountable for the correct information.

Ms. Matsuyama: I do not want to speak to how the process works now. We are trying to figure out a way that the process through DMV is able to assist KPD with the abandoned vehicle problem.

Councilmember Kualii: You have to do all the work.

Council Chair Kaneshiro: Along the lines of Councilmember Kualii, if a “seller” sells a vehicle to a “buyer,” and the “buyer” is turning in false information, you are not able to find the “buyer,” what is keeping them from giving the “seller” false information? If the “seller” turns in the information, we are going to be in the same situation.

Ms. Matsuyama: Ideally, the “buyer” and “seller” would walk hand-in-hand into DMV together to sign off on the transfer. This has been working in other states.

Council Chair Kaneshiro: Is this what we do now?

Ms. Matsuyama: No.

Council Chair Kaneshiro: For me, if the “buyer” is going to be fraudulent, they will give fake information, the “seller” will turn it in, and we are stuck in the same situation.

Ms. Matsuyama: I believe KPD is able to answer all of these questions.

Council Chair Kaneshiro: My suggestion is to move both items to the Committee Meeting. We will have two (2) weeks to get this to HSAC. We will have a Committee Meeting next week, and our full Council Meeting the following week. If it is approved, it will go to HSAC on that day. We are able to have KPD present at the Committee Meeting to answer any questions. Councilmember Cowden.

Councilmember Cowden: We are also able to have a lawyer present even if they do not work for KPD. There are alternative options such as a Notary

Public; when people sell a car, have it be an option to get it notarized. There are ways around this. It has been a very casual system. It sounds like we do not have a computerized system for the sale of vehicles.

Ms. Matsuyama: Yes, we administer based on State Law and software.

Councilmember Cowden: Is it a paper system?

Ms. Matsuyama: Yes.

Councilmember Cowden: It sounds like we have technology issues. I agree that we should put this in Committee. For the second, I am willing to have it go into Committee, but that seems like a no-brainer.

Council Chair Kaneshiro: Yes, it does. They came together. We are able to decide at Committee if we would like to take a section out. At the next full Council Meeting, it could be the second bill, both bills, or an amended bill.

Councilmember Cowden: Is it possible to do it ad seriatim?

Council Chair Kaneshiro: It is cleaner if it is left as one (1) communication item. Councilmember Chock.

Councilmember Chock: I want to ensure we are calling it what it is. The fees and fines are being clumped into the beautification fund, and that is not true. The fines is a separate item, and the beautification assessment is annually upon registration. I am assuming that any fine by the "buyer or seller" will go directly to the Director of Finance and into the general fund. It does not pay for abandoned or derelict vehicles.

Council Chair Kaneshiro: Councilmember Evslin.

Councilmember Evslin: I would like to add to that. It has already been said, but I would like to reiterate to say that all this does is changes "transferee" to "transferor." The fine language is already in there, and nothing is changing.

Council Chair Kaneshiro: For me, when it moves to Committee, I would love to track what happens when someone sells a car, what the issue is, why we are in a situation where we are not able to find the person who abandoned the vehicle, and why this would affect a change in how we are able to identify someone, and be able to track the progression. If it is the matter of someone putting down the wrong information, that will happen either way. Whether the "buyer" is turning in or gives the wrong information to the "seller." Unless the procedure is to turn in the paperwork with a form of identification at the DMV. I would love to see...

Ms. Matsuyama: KPD is able to provide specific examples.

Council Chair Kaneshiro: Okay. Councilmember Kagawa.

Councilmember Kagawa: That will date back to when Peter Morimoto when to KPD, it was to provide the individual support needed to fix these issues. I do not know who is in charge now? The KPD Attorney should have been checking in with the other islands to see what process they have. When they tell us to propose Legislative changes, everyone should know what is going on. This is most likely a Statewide issue. If there is no one working on these issues, it will be hard. Here we are, trying to propose State Legislation to make Kaua'i better. They are not going to pass it at the State-level if does not benefit all the islands. We need someone in charge that is able to make calls.

Council Chair Kaneshiro: Councilmember Kualii.

Councilmember Kualii: Being that the Director of Finance is also here, the statement about "it is not for the beautification fund and it will go directly to the Department of Finance." My question is, are we creating a new fund? If it is not meant for the beautification fund and for purposes of hauling away abandoned vehicles, what will be used for? What are we collecting fees for and what is it going to be used for? Were you involved in the conversation that the money was coming to your department?

Ms. Matsuyama: Are you able to send that in a follow-up? We are not creating new funds.

Councilmember Kualii: We are collecting one hundred dollar (\$100) fees for a new violation. If that is not specifically going into the beautification fund for abandoned vehicles, what are we doing? I will send it in writing for follow-up, and we can also talk to KPD.

Council Chair Kaneshiro: Are there any other questions? If not, thank you Reiko. Councilmember Evslin.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Evslin: I am sorry, I have a process question. If we pass both of these bills in Committee, do we send a package of everything to HSAC, and they will dissect through this one at a time? If both bills went over to HSAC, they could potentially vote one (1) out of two (2) proposals?

Councilmember Kagawa: I would imagine that HSAC would send it out to all counties, they would be able to ad seriatim as they wish. For us, we would be able to take it ad seriatim. It would be similar to their respective counties. Each legislation is different and able to pass on its own. That is the process. As long as we have four (4) votes, it will go to the HSAC Package. I am ready to support this. I feel we are able to try something, and it is not out of the blue. KPD feels that it will help. I am willing to try to pass this. The State Legislature will ask the same questions. They will ask Reiko, the Derelict Coordinator, or Peter Morimoto back from retirement, they will ask questions.

Council Chair Kaneshiro: For me, if it is coming from us, I would like all the answers and questions here in order to be prepared to answer questions at HSAC. That is my reasoning in suggestion to refer this item to Committee. Councilmember Evslin.

Councilmember Evslin: My fear is that this is sent over together, and one (1) proposal shuts down both. The U-drive proposal seems very straightforward and simple. Would there be any benefit in sending them over with separate communications, so they are clear and not tied together? With one (1) communication with two (2) Bills, it makes is a little...okay, thank you.

Council Chair Kaneshiro: Councilmember Cowden, did you have a question?

Councilmember Cowden: I want to be clear in expressing why I want them separated. If we worked on them next week in Committee, that would be fine. My vote for the first proposal would be a "no," and I would vote "yes" for the second. I feel there is vulnerability in the first bill. I feel that we should agree to pass the second bill today or at another time. If I we vote on them together, it will end up being a "no" vote.

Council Chair Kaneshiro: In Committee, we are able to vote ad seriatim. If it gets four (4) votes it will go to HSAC, and if it does not get the votes, it will stay here. It would be nice to get a full vote.

Council Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: For the process question. Are we going to vote on this in the Committee of the Whole? Under the Sunshine Law, we need to get this to the HSAC Committee. Aida said we have time. To be safe, are we able to ensure that it is the full Council even in the Committee.

Council Chair Kaneshiro: It needs be done in the next week as the package needs to get to HSAC by September 11th.

Councilmember Kagawa: Thank you.

Council Chair Kaneshiro: It will be following the schedule that we have.

Councilmember Kagawa: You have the dates. I want to be sure we know of the dates. We need to have our package together by October. As you remember, that process requires it going to each island.

Council Chair Kaneshiro: It will go to the Housing & Intergovernmental Relations Committee. That is the Committee that will send the HSAC Package. Are there any other questions? Councilmember Chock.

Councilmember Chock: For process clarity, I want to be sure that the body knows that this has been vetted by the County Attorney. There has been a past

request, as these items pass...I believe there is a summary of each bill with an indication. If we do pass it here, one (1) of the introducers should go and support this Statewide. Thank you, Mr. Chair.

Council Chair Kaneshiro: Are there any further questions from the members?

Councilmember Cowden moved to refer C 2019-193 to the September 4, 2019 Housing & Intergovernmental Relations Committee Meeting, seconded by Councilmember Kualii, and carried by a vote of 6:0:1 (*Councilmember Brun was excused*).

Ms. Fountain-Tanigawa: Chair, could we go back to C 2019-191. There is a typographical error discovered. I would like to clarify for the record. The program period year is July 1, 2019 through June 30, 2021.

Council Chair Kaneshiro: So noted.

Ms. Fountain-Tanigawa: It is a two (2) year period.

Council Chair Kaneshiro: Next item.

Ms. Fountain-Tanigawa: Next item, on page 3.

C 2019-194 Communication (08/22/2019) from Councilmember Chock and Councilmember Kagawa, transmitting for Council consideration the following measure for inclusion in the 2020 Hawai'i State Association of Counties (HSAC) Legislative Package:

- A Bill for an Act Relating to the Employees' Retirement System, to amend Hawai'i Revised Statutes (HRS) Section 88-21.5(a) by reducing the amount of overtime that can be considered "compensation" for the purpose of calculating retirement benefits by fifty per cent (50%) of overtime earned after June 30, 2020 for those who are members before July 1, 2012.

Councilmember Kagawa moved to approve the measure in C 2019-194, for inclusion in the County Legislative Package and approve to forward the measure to HSAC for inclusion in the HSAC Legislative Package, seconded by Councilmember Kualii.

Council Chair Kaneshiro: The motion is to approve to forward measures to HSAC for inclusion in the 2020 HSAC Legislative Package. Are there any questions or did someone want to explain the measure? We are on C 2019-194, regarding the calculation of retirement benefits.

Councilmember Chock: Thank you, Mr. Chair. This is on the first item regarding overtime. I would like to reintroduce a presentation by Thomas Williams from the State of Hawai'i Employees' Retirement System (ERS) who came here a few

times. All of you have been here for at least two (2) terms. By now, you are aware that the County is responsible for the unfunded liabilities involving ERS. Every year we will be increasing the amount that we need to pay towards pensions. I would like to highlight a few things he shared. The extensive conversation we had pertained to spiking, and the challenges with spiking. These pages are what I had asked for. Page 9 shows where we are right now. You are able to see where the accrued liabilities of twenty-nine billion nine hundred million dollars (\$29,900,000,000), the total funded assets of sixteen billion five hundred million dollars (\$16,500,000,000), and the unfunded actuarial liability of thirteen billion four hundred million dollars (\$13,400,000,000). If all goes well, it will take us thirty (30) years to catch up. That is now on us as a County to figure out how we are going to fund this. If you look at the next page, it talks about our contributions and how they were increased. In two (2) years, there is an approximate increase of eight million dollars (\$8,000,000) that we will need to catch up. The question for us as this body and the person who is in charge of finances is, where is that money going to come from? In the presentation provided by Mr. Williams I asked him specifically, what we can do to try to address this issue. We have been having discussions in the past few months. For us, being that spiking has been an issue, there were two opportunities. This last piece shows what Councilmember Kagawa has alluded to every time in terms of where we are. You are able to see with regard to overtime, people took advantage of this at our expense. In 2012, all pension employees were amended in the ERS, they do not get the same benefits to those prior to 2012. When having the conversation with Mr. Williams and Wesley Machida who is on the ERS Board, and asking them what our opportunities are to try and address this, they said, "try to address overtime and sick leave." Those are two variables being utilized to raise the bar in what we need to pay. If we are able to get a handle on this, it will reduce our payments significantly. I do not have the figures on savings, which is forthcoming. I am able to tell you that they believe that this is not only justifiable, but it will legally stand up in court, which is why we chose to look at these two (2) amendments. C 2019-194 is for overtime, we are not completely taking it away, we are saying that they are only able to attribute fifty percent (50%) of their overtime, which is more than what the people are receiving after 2012. We are saying you are not able to go crazy on it. C 2019-195 is for...

Council Chair Kaneshiro: Let us stick to C 2019-194, and when we get to the second...

Councilmember Chock: There is not much of a difference, but we can talk about that after. Mr. Chair, that is the gist of it. I believe this is a statewide issue, all the counties are faced with this challenge, and that is why you see it before you.

Council Chair Kaneshiro: Are there any questions? Councilmember Kagawa.

Councilmember Kagawa: I would like to thank Councilmember Chock for having the courage to draft this proposal. It is a really big problem and no one in the state wants to correct this issue, and Councilmember Chock is willing to do something about it. The unions are upset and threatening Councilmember Chock and I with lawsuits in saying that this piece of legislation will be shut down in court. If you look at the numbers, in Fiscal Year (FY) 2018, approximately two million dollars (\$2,000,000) is from the Fire Department; one (1) department. That is why I opposed their two percent (2%) bonus. Instead of having a five percent (5%) raise, it

would be three percent (3%). There is abuse going on. For this year, 2019, the fire department is at it again. They do not care about the taxpayers, their money, the burden, and the burden on our children. Our children will have to pay for this. We are reaching our end. When you have a bad habit that is going on and the Fire Department refuses to stop, we need to stop them. That is why we are here, we are able to represent the people, we do not need the Mayor or the Administration to stop bad habits, we are able to put a stop to it right here. I am supporting this because at some point, when you have the employee contributions rising, this County is going to have to reduce taxes drastically or we are going to have to drastically reduce services. We are already receiving complaints on the terrible road conditions and bridges that are failing. There are bridges that are spalling, meaning they are ready to fall. In Minnesota, a big bridge that was one hundred (100) years old fell. We have a lot of one hundred (100) year old bridges here on Kaua'i. If this is passed here on Kaua'i, will it be worth it? It will most likely not get passed here because the unions are sending E-mails against this piece of legislation. Would it pass at HSAC when it goes to other counties? If it passes there, will it pass the Legislature? We have the United Public Workers (UPW) and Hawai'i Government Employees Association (HGEA) against this saying do not pass it, it is illegal. The fact of the matter is, the State is thirteen billion dollars (\$13,000,000,000) in deficit when it comes to ERS. Thirteen billion dollars (\$13,000,000,000), the Federal government is twenty trillion dollars (20,000,000,000,000) in deficit, and the County pays all of our bills. If you want to say who has the power, it is us. This why I support this bill and I am explaining my support for it. Everyone is thinking, "Why are you supporting this, it is uncomfortable for us." Well, that is just how it goes.

Council Chair Kaneshiro: Councilmember Kuali'i.

Councilmember Kuali'i: I have a question for Human Resources (HR).

Council Chair Kaneshiro: I would say to ask your questions to see if someone else is able to answer.

Councilmember Kagawa: I thought I answered all of the questions.

Councilmember Kuali'i: Unfortunately, no. My concern is about the process. In government, you have the Administration, Council, Legislature, State, the Governor, and all of the different pieces. I understand what my fellow Councilmembers are trying to do. I want to be clear with what the process is, and what is appropriate as far as collective bargaining and negotiation. If HR or anyone from management were here, I would like to ask them the question of our role as Councilmembers regarding collective bargaining and negotiation. First and foremost, I feel our role is the budget, if we have a problem with money, then we would cut expenses. Management would then go in to figure out how to make it work. I am always willing to vote to cut expenses and for management to negotiate and figure it out. As a Council, we represent the County. As far as the Administration, that is for both management and the employees. When you talk about the unions, they are representing our employees; therefore, we need to represent them too. I made a speech, but I have a question for HR.

Council Chair Kaneshiro: I do not know if any of the introducers are able to answer your question? Councilmember Kuali'i, do you want to ask your question to see if the introducers are able to answer your question?

Councilmember Kualii: That was my question. Is it appropriate for us as a Council to be involved with the negotiations regarding collective bargaining, and if this is the vehicle? I see how it is a financial issue for the budget, however, it is one step beyond the Council setting the budget, it involves Collective Bargaining and negotiation. I feel that you are almost choosing a side. The Council represents management and workers.

Council Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: If I am able to answer. I believe that the "key" for the Council is to submit testimony and allow the legislature to take action...as-long-as you amend the retirement compensation moving forward, you are allowed to do it. If you determine that something needs to be changed in order for the government to function, the legislative body is able to do so. You are not able to go backwards, you are not able to take away anything that an employee has already earned or what is written in their respective contracts, but you are able to move forward, which is why I believe this is legal. The attorney may state otherwise. I am not an attorney, I am able to say what I want to say.

Council Chair Kaneshiro: Councilmember Chock, and then Councilmember Cowden.

Councilmember Chock: I would like to add that I did not look into any aspect of collective bargaining. I agree with you that it is not within our wheelhouse and it is not where we should be looking. This is an amendment to an existing section of the Hawai'i Revised Statutes (HRS). When we are talking about the ability to pay, the question for this body and for future legislative bodies is, are we able to pay or cut eight million dollars (\$8,000,000)? We have not been able to cut more than a few hundred thousand dollars on an annual basis. That is the answer that I have, which means we need to raise taxes in order to pay the eight million dollars (\$8,000,000) that will be due. What should we do? We need to go to the source of the issue. I am not here to make this controversial. I am here to put this on the table for our State Legislature to have a discussion about the real issues that we are having on this island. I believe that every County should do the same.

Council Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: My discomfort is in the same area that you are talking about which is collective bargaining. When we have this bill for ERS, it does not matter which union we are working with. Is that correct? If there is one (1) or two (2) problematic unions...when I look at UPW, it seems that these people work at a lower wage. You are not able to separate this, right? We punish those who are not abusing the system in order to control the ones who are. Is that basically the position are in?

Councilmember Chock: That is not the position that I am taking. I would not use the word "punish." I do not think we are completely taking it away. What we are saying is that we are capping it at a certain place so it does not get out of control. Whether that cap is the right amount, it is up to the State Legislature to figure it out. That is not up to us. What I am saying is what was suggested by the ERS leaders.

Councilmember Cowden: Okay. These two (2) items are separated, right? Are we able to vote for C 2019-194 separately from C 2019-195 as I have a different position for both?

Council Chair Kaneshiro: I have a question. Being that this is coming from ERS, have they brought this up to the attention of the Legislature? We do not have control whether this is going to pass or not. This is going to the State-level and there is zero traction, all we did was bring up awareness. A lot of times we say how unsuccessful we are with our HSAC package. For me, the concern is that we are adding another item that might be unsuccessful. There is a lot of talk at HSAC to be a little more successful with the items that are being included in the HSAC package. Has there been any traction at the Legislature on a bill similar to this? What did ERS say when they talked to the Legislators?

Councilmember Chock: Mr. Chair, in working with Mr. Williams and Wesley Machida who was the Administrator before 2012. It was through his leadership and story that he shared with me how they actually eliminated future overtime from employees from 2012 on. I asked about that and how he was able to get that done. It was through his advocacy, leadership, working with the Legislature, and unions. What I came to understand is that at some point the unions were right there alongside, supporting the efforts of the ERS. This is not going to happen simply because Kaua'i is talking about it. It will happen being that it is put on the table for everyone to talk about. It is probably farfetched depending on how people will gravitate to it or not. I believe the discussion at HSAC has been how do we get serious about this? It is because we have not had the discussion at this level, it is a new item. In three (3) months, we could come back and say, "This has no traction, we need to get rid of it." If so, I am okay with that, however, we need to put it on the table because it is an important item.

Council Chair Kaneshiro: Are there any other questions?
Councilmember Kagawa.

Councilmember Kagawa: We are talking about how will it survive at HSAC? Let us see how it will survive here. If it does not have four (4) votes here, it will not move. Why are we worried about step 2 if we are not done with step 1? Let us get Councilmember Brun in here, let us see if we will have four (4) votes. I do not know, I am hoping.

Council Chair Kaneshiro: Councilmember Brun is currently excused.
Councilmember Kualii.

Councilmember Kualii: Are we currently only talking about the overtime?

Council Chair Kaneshiro: Yes, we are on the overtime issue.

Councilmember Kualii: I believe one of the introducers, not using his exact words, but it basically meets legal muster. I would say that the Hawai'i State Constitution in Article 16, General and Miscellaneous Provisions, ERS, the language there is that accrued benefits shall not be diminished or impaired. The way this is written is that it reduces current overtime benefits for current employees. In the past when the retirement system changed, it was all about going forward and for employees

who had not been hired, they did not have the same constitutional rights. You may have an attorney saying, "That is okay, we are able to do this." However, I bet there would be attorneys saying, "No, you are not able to do that."

Council Chair Kaneshiro: Are there any further questions on the bill? If not, I am going to take public testimony. Is there anyone in the audience wishing to testify on this item?

There being no objections, the rules were suspended to take public testimony.

Mr. Sykos: For the record, Lonnie Sykos. Thank you gentlemen for introducing this. You have my full support. I was involved in union labor back in the 1980s. My career field was in the Merchant Marines. To my knowledge, no Merchant Marine Union awards retirement based on overtime. I got zero (0). When I worked for Hawaiian Tug and Barge, I had a forty-eight (48) hour straight time week, and there were many two (2) week pay periods that I approached one hundred (100) hours of overtime. People working for the tugboats are sleeping about four (4) hours a day, month-after-month. This was in part of resupplying Kaua'i after Hurricane *Iniki*. I am fully supportive of this measure. To me, it is utterly absurd to be paying people retirement based on overtime. When you are hired, you have no idea what your overtime is going to be, but you do know what your base pay is. For planning purposes for both the employee and the public who ultimately funds all of this, you are able to plan for the numbers that you know, but you are not able to plan for the numbers that you do not know. To the general public that is watching, if Senate President Ronald D. Kouchi does not have a bill to address this at the next Legislative Session, you will have two (2) choices. You are going to go bankrupt or you are able to put people in the Legislature who will address the issues that impact the people. To the House members from Kaua'i, the Senate, get on this or get out of the way and let someone new come in who has the public's interest at heart. This is bankrupting us. I got into politics in 1975, working for the campaign in support of Benjamin Cayetano's second term of the House of Representatives. His primary campaign issue was this point. In 1975, in Leward Community College, I was told that the State was going to be bankrupt in 2040 to 2060 solely because of the retirement policy that the State adopted. You probably need to change the State Constitution. We should be like Wisconsin and say, "You people ripped this system off, and we are not allowing you to continue to rip us off." That is coming from our political and union leaders.

Council Chair Kaneshiro: Mr. Sykos, that is you first three (3) minutes. Is there anyone else wanting to testify on this item? Mr. Hart.

Mr. Hart: For the record, Bruce Hart. I am in full support of this bill. I would like to thank Councilmember Chock for having the courage to put this forward. I want to thank Councilmember Kagawa for his comments. I would like to encourage all the other Councilmembers to do the same. What we have coming up next is a similar issue regarding sick leave being used to calculate retirement. That is not what the employees were hired for with that expectation. As Mr. Sykos stated, they were hired at a particular salary. This is pertinent in my opinion. If I were on the Council, this is pertinent to this body. You control the purse strings. If you see abuse, you represent the people. The people are the ones who are going to have to pay. As Councilmember Kagawa stated, the children are going to have to pay. That is not just talk. They really will end up having to pay. The rich will look over the poor, and the

borrower will be the servant to the lender. Councilmember Kagawa stated that we are twenty trillion dollars (\$20,000,000,000,000) in debt at the Federal-level. It is more like twenty-three trillion dollars (\$23,000,000,000,000) which does not include the outstanding, unfunded liabilities of Medicare and Medicaid. It is going to bury us. It is serious. I do not want to leave that kind of legacy. This is our watch. Thank you.

Council Chair Kaneshiro: Is there anyone else? Anyone for a second time? Mr. Sykos are you good? No.

Mr. Sykos: I will take the opportunity. For the record, Lonnie Sykos. Gentlemen, you are courageous. This battle has been fought and lost over and over again. We wish you all the success in bringing this to a positive outcome. This is a big issue in all the counties. All the counties have exactly the same outlook that we have, and the same at the State Government. For the public, the question is, will we have a County Council with five (5) members who are willing to override vetoes to cause change like this to occur and the same in the State Legislature. Our faction of *'opihi* in the State Legislature. They are like *'opihi* who are clinging to the past, they do not want anything to change, and they want to hang on to their power. For the rest of us, we are all going bankrupt. Our roads and parks will never get fixed, we will never see benefit to our community, we will be ravaged by drugs and poverty, our children will leave to go to other places that provide opportunity and not available here; all because our senior political leadership lacks the will to address reality. Thank you.

Council Chair Kaneshiro: Is there anyone else?

There being no further testimony, the meeting was called order, and proceeded as follows:

Council Chair Kaneshiro: Is there any final discussion from the members? Councilmember Kagawa.

Councilmember Kagawa: First of all, I want to thank the Councilmembers. I do not expect to win this battle. I vote the way that I feel. There have been many arguments coming in from unions saying this will be challenged or this will be lost. The day I signed on to co-introduce this bill, I received numerous E-mails and calls from HGEA. They did not endorse me, I owe them nothing. They are warning me that this is not good for our HGEA workers. I respect all of our workers. We have many more "good workers" than "bad workers." When they look forward to the day of retirement, they still struggle with the cost of retirement, everyone is struggling. It is difficult, our finances are not good. We all know who the abusers are, but because we are not able to target any individual union group, we need to look to ERS for their suggestions. We are breaking ground by introducing this and having it for consideration. At times, the battle is not won instantly. It is small steps that may lose votes here, that will gain momentum and will win when the time comes. I want to thank our Councilmembers. I want to put them in a comfortable position. Their decisions are based on the information that they get or with the history of what they have gone through while sitting in this seat. For me, I feel comfortable in voting yes. I want to make it clear to my fellow members, I understand where your vote is should you not support this measure. If this vote does not go the way I would like it to, there is other ways we are able to continue to try and fix the many problems we have regarding our ERS. I will be voting in favor. Thank you.

Council Chair Kaneshiro:

Councilmember Evslin.

Councilmember Evslin: I would like to thank Councilmember Kagawa and Councilmember Chock for thinking out of the box to try and figure out ways to keep our pension system sustainable in the long-run. With that said, I do have concerns with both bills. I feel they are sort of a blunt instrument for a specific problem. One, I feel that the biggest problem we face as a County is our chronic vacancies across the board. We hear this from our Police Department, from long lines at the DMV, from our Parks and Recreation Department, we are not able to attract enough qualified workers. Other than the desire to perform public service every day, one of the things that should help attract people to government is a stable retirement and benefit package. I am concerned about targeting these specific issues. I feel that it could make our problems worse. When we have less people coming into government, we have less people contributing to the overall pension, we have higher vacancies with lower levels of public service, and we have higher rates of overtime for everyone who is having to fill the vacancies. Spiking is a gigantic problem that is costing us a lot of money. It is a problem that is perpetrated by a small number of people. The vast majority are not spiking and they are making less than seventy thousand dollars (\$70,000) a year, and they really need this retirement and benefit package that they were expecting in order to survive. When we are talking about unfunded liabilities, I feel that it is important to be clear that the State Legislature raided a fund that employers were paying into. When the market was doing well, there was more money there, everyone thought that it would continue and they took money from that. When the market contracted, we are left to foot the bill. Lastly, it is not necessarily a problem with our pension system, it is a demographic problem. We have a high rate of baby boomers who are starting to retire. Thirty (30) years out, we were able to see this problem coming. We need to do everything that we are able to ensure the stability of our pension system. I respect the out of the box thinking, but I am not certain this is the way to do it.

Council Chair Kaneshiro:

Is there anyone else? Councilmember Kualii.

Councilmember Kualii: I will like to restate that I do not feel comfortable in this venue to vote on this. If we would like to talk to the governor or our own legislature to have them do their job to help us do our job, our job is the budget. When we pull the levers of the budget, that is our chance to impact the taxpayers money. The Mayor and Administration needs to spend the money that is allocated. It is not a bottomless pit. I respect collective bargaining, the State Constitution, and I agree that this will diminish or impair the benefits as they currently exist. Spiking is a problem. This is not necessarily the way to deal with spiking. The biggest problem with spiking and how it happens is because of the final three (3) years of work. If we want to do something on a legislative level to address spiking, it should be an average of the entire service of ten (10) or fifteen (15) years or whatever the amount of years it takes to be eligible for retirement. With the final three (3), that is when they are stacking in the extra overtime hours to increase their salary way above what the average would have been for their entire years of service. That is spiking. Spiking is happening because the process allows it with the final three (3). It is not because we are allowing a certain level benefits for everyone. I agree with Councilmember Evslin's point that you are trying to solve a problem with a blunt object and punish everyone for a smaller problem. If we truly want to address spiking and suggest this legislatively, it is about the final three (3) and not about these benefits. When management or the legislature deals with the collective bargaining during negotiations and trying to reduce something, more than

likely they will have to offer something in return. That is how negotiations have been. I would be curious to see how some of the benefits that have increased overtime, what the workers and the unions gave up to that during negotiations. In this instance, if something like this were to move forward, it would have to be negotiated, and there would have to be some sort of give and take. At this time, I am not ready to support this.

Council Chair Kaneshiro: For me, I am not willing to support this right now. I expect that we may get criticized for not having the will or motivation to pursue something like this, but my will is for things we are able to control. We have no control over State Legislation passing. The likelihood of something like this passing is zero. If they had the motivation to do something like this, they would be sending bills in; which they have not. For me, it is what do we have control over? We have taken major steps with things we have control over. To me, to be a little more exclusive...it is for certain departments rather than every county employee. You have unions that barely have any overtime. They do not even have overtime opportunities. For us, what have we done? We have taken steps within our power to try to mitigate this. For example, when the collective bargaining came up with the Fire Department, it was talked about strongly. It has been voted on. That was our chance to take a step in the direction in saying, "Hey, this contract is not fair." That was our ability here at the table. We brought awareness to the public about the spiking and the Administration. We have had multiple meetings on this. We are procuring an audit to stop the spiking issue. We have control over the budget, which we have a tangible opportunity to try to curb this. It is obvious that the main topic is to speak to management to control overtime, which we have done with the Fire Department. We have asked the Fire Department what our options would be to control the overtime. These are tangible examples on what we are able to do in hopes of keeping this number down. I do not see legislation having any traction on this issue. For me, I am more about what we have control over and what we are able to do in hopes of reducing it here at Council. We are already pursuing these issues. It will come out on in the audit. Our first priority with doing the audit was figuring out how to control the overtime and spiking. I feel that is more tangible instead of saying, "We do not have the will to put this through, passed through HSAC, and passed by the legislature." We are moving forward with issues that we are able to tangibly do to reduce overtime and spiking. That is what we are doing on our end and here at the County, and that is where I would like our priorities to continue to stay. I will not be voting for this. Are there any other comments from the members? Councilmember Chock.

Councilmember Chock: Thank you, Mr. Chair. I really appreciate the conversation that my colleagues have brought to the table. I agree with a lot of comments and ideas that have surfaced. The hill we have to climb is really high, we are not able to only talk about the issues. We need to come up with solutions. If there are ideas on the table regarding the solutions, let us see it come forth. We do not have the time for discussion only. We are faced every year with the ability to engage intergovernmentally with our State Legislature, this is the way. We have created an avenue through the Hawai'i State Association of Counties (HSAC), we are able to vet bills not singularly or within this body, but as a state. That is the reason I have put this forward. It is not because of my specific interest, but because there was a request and opportunity to dialogue with a State organization who is in control of this arena. They have asked and said there are ways that we are able to help and work on this.

The recommendations made are directly from their suggestions, and I appreciate that. As far as this goes, it would be worth the discussion. Thank you, Mr. Chair.

Council Chair Kaneshiro:

Councilmember Cowden.

Councilmember Cowden: I want to thank you all. For me, it is a difficult bill. I feel the word that we give to our people is really important. I am comfortable to the fact that this is looking at cutting fifty percent (50%) of the overtime rather than completely taking overtime off the table. I do believe we have a lot of challenges with understaffing, and the overtime is not people showing up to pad their retirement. I am going to be short, I can sit here and talk for a while but a lot has been said. It is really unfortunate that there is not a full Council sitting here. There may be an even vote. I am going to vote to support this. I know that this is really difficult for me in terms of how it is perceived. I care very much about the work that we have amongst all of our people who work very hard. I really appreciate our County team. I need to look at this holistically. The people within the County are still a part of the community. If we do not have the money to fix the roads and balance the budget, I do not know where the eight million dollars (\$8,000,000) is going to come from, and I do not want to raise taxes. I hear what is being said. Politically, it is a very poor choice to make and vote in support. We not have seven (7) Councilmembers here. There is no chance that this is going to move forward. However, I have the courage in saying we need to have this discussion. I am going to vote in support, but with a great deal of discomfort.

Council Chair Kaneshiro: Let me say this, we have had the discussion here. A 3:3 vote will have it deferred to the next meeting. It will be made the Special Order of the Day on the Agenda, we will have to vote on it again in hopes of having it moved in a certain direction; unless someone wants to change their vote in favor today. Everyone already explained their position on this. Right now, Councilmember Brun's vote is excused, so it is not a "yes" or "no." Councilmember Kualii.

Councilmember Kualii: I do have another point that I did not state. For any problems there may be, when the employees follow the rules, they do the work and they earn the overtime, they have earned the overtime. If the rules change, their ability to get the value out of the overtime and to lessen a bad practice, that is not how you fix the issue. You have to fix the management, which we have already talked about. You need to figure out a way to get management to do what they need to do to make the finances work. You do not go after the employees' benefits and change the rules of the game when the employees are already in there playing the game. You are able to change the rules on future employees, but not the employees who are already there. Even with horrible examples like Governor Neil Abercrombie said, "All of HGEA members have a lot of money in their retirement and are going to Las Vegas monthly." You may have a few who are, but do not lump everyone together and make a statement on what is happening if it is not true. With the majority of our County employees who are lower paid, they rely on their retirement. They did everything according to how the rules were and they have earned that. It is wrong of us to change this. I know this is all about putting this before the legislature, however, by me voting on this here, I am saying that I am okay with that, and I am not okay with that, so I will be voting "no." I do hope others will join me.

Council Chair Kaneshiro: Is there anyone else? We will take the vote. If it is a 3:3, which I believe it will be, it will get deferred and be made a Special Order of the Day at the next meeting. We will take a roll call vote on this.

The motion to approve the measure in C 2019-194, for inclusion in the County Legislative Package and approve to forward the measure to HSAC for inclusion in the HSAC Legislative Package was then put, and yielded by the following vote:

FOR APPROVAL:	Chock, Cowden, Kagawa,	TOTAL – 3,
AGAINST APPROVAL:	Evslin, Kualii, Kaneshiro	TOTAL – 3,
EXCUSED & NOT VOTING:	Brun	TOTAL – 1,
RECUSED & NOT VOTING:	None	TOTAL – 0.

(Council Absence, Tie Vote; Pursuant to Council Rule No. 5(e), item shall be made the Special Order of the Day at the September 11, 2019 Council Meeting.)

Council Chair Kaneshiro: This item will be deferred.

Ms. Fountain-Tanigawa: Yes.

Council Chair Kaneshiro: It will be made the Special Order of the Day at the next meeting. Next item, please. I am sorry, we will take a ten (10) minute caption break.

There being no objections, the meeting recessed at 10:41 a.m.

The meeting reconvened at 10:43 a.m., and proceeded as follows:

Council Chair Kaneshiro: Welcome back, next item please.

C 2019-195 Communication (08/22/2019) from Councilmember Chock and Councilmember Kagawa, transmitting for Council consideration the following measure for inclusion in the 2020 Hawai'i State Association of Counties (HSAC) Legislative Package:

- A Bill for an Act Relating to the Employees' Retirement System, to amend Hawai'i Revised Statutes (HRS) Section 88-63 by reducing the extended years of service for any public employee regarding unused sick leave that the employee has accrued to the employee's credit after June 30, 2020.

Councilmember Kagawa moved to approve the measure in C 2019-195, for inclusion in the County Legislative Package and approve to forward the measure to HSAC for inclusion in the HSAC Legislative Package, seconded by Councilmember Chock.

Council Chair Kaneshiro: The motion for this item is to approve to forward this measure to HSAC for inclusion in the 2020 HSAC Legislative Package. Councilmember Chock, would you like to explain this?

Councilmember Chock: Briefly, this is similar to the last item for the HSAC Package. This relates to abandoned and derelict vehicles. While reviewing the spiking issues, this came up through my conversation with ERS. Mr. Machida believed in 2012, this was actually the lowest hanging fruit. There was more openness for the sick leave to be addressed. Along with Councilmember Kagawa, we put this package together.

Council Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: To answer questions and clarify alongside Councilmember Chock, your sick leave accumulated, some employees receive a large check that is paid out. At times, it may be a fifty thousand dollar (\$50,000) check. For some employees, if you have a lot of years, it will be years of sick leave. You are only able to reach a certain limit, I am not sure what that limit is...two (2) years of sick leave? They receive a big check. What this proposal is saying is that you are still getting paid for your sick leave, but it will not be added. If you are retiring at thirty (30) years, it will not be adding two (2) years of sick leave to equal thirty-two (32) years. In my opinion, sick leave is there in the event of need, and if taken, you will receive a paycheck. For private workers, they get ten (10) days sick leave and ten (10) days of vacation. They are not fortunate like the County to have twenty-one (21) days sick leave and twenty-one (21) days of vacation. That is one and one half (1 ½) months off, and why I said you are not able to compare private pay to government pay. The private companies do not have the paid off days compared to government. That is all we are saying. This is not intended to be made a punishment or saying that our employees are not enough. Councilmember Chock is asking the question, "Do we have eight million dollars (\$8,000,000) to cut right now" or do we take proactive steps. Yes, it will upset employees in their calculation. Do we tax everyone more money, go farther in debt like the Federal and State government, or do we take measures that will hurt some or a lot? What do we do? You will get paid. At the end of the day, when you retire and have a lot of sick leave, you will be happy when you receive that large paycheck. Thankfully, you were the person that did not get sick, you accumulated a lot of hours, and it was your time to retire. You received a large check, but you will not be compounded with an additional benefit of two (2) years to be a multiplied effect in your retirement. The union is calling my phone and telling me how bad of person I am. However, we believe that both side are entitled to an argument. If not, what else are we going to do? I do not have an eight million dollar (8,000,000) cut that I am able to do.

Council Chair Kaneshiro: I have a question. I am not sure if it is for you folks or the Administration. For the sick leave, is it an actual check that gets cut to

the employee or is it years that is added to their pension? It states here that it is years counted towards their work. It is not an actual check, it would be their pension. They will have additional service or time.

Councilmember Kagawa: To my understanding, the day you terminate employment will trigger a large check.

Councilmember Kualii: Of vacation.

Councilmember Kagawa: Whether it is vacation or sick leave, you will receive a large check. You will not get two (2) years of checks without not working. It may be a year after you retire, the check may take a while, but you will receive a large check.

Council Chair Kaneshiro: The bill only talks about how much time is added to their service. It does not say anything about a check.

Councilmember Kagawa: You get paid for the time you do not use. You receive it in a form of compensation.

Council Chair Kaneshiro: Is that for sick leave?

Councilmember Kagawa: Yes, and for vacation. There is a cap on it.

Council Chair Kaneshiro: I would like to hear from the Administration or someone regarding that. I am not sure if anyone is able clarify it here. It may need to be someone from HR, if they are here.

Councilmember Kagawa: Let us be honest. If it is not a large check, do you think there would be a lot of employees off right before retirement?

Council Chair Kaneshiro: I am not sure if it is a check. Councilmember Cowden.

Councilmember Cowden: I was going to ask if finance knew.

Council Chair Kaneshiro: I do not think so. If finance knew, I would think they would be running to the front. We are always able to recess this item to see if HR is able to come in, and come back to this item.

Councilmember Cowden: Are we able to do that because I would need to know.

Council Chair Kaneshiro: It is an important question and also a question that I had. Do we have any other question on this bill?

Councilmember Kagawa: Are we able to clarify this. For an employee who builds up a large amount of sick leave, will they get compensated whether they show up and you are getting paid or they will get a large check? What we are saying is that this does not affect that. What we are changing in our proposal is that moving forward from 2020, the accumulated sick leave for all employees will not be added into years of service. It would be illegal or unconstitutional to take away something guaranteed in the contract to the current date. We are going to ask the legislature that moving forward, the rules be changed for everyone. Again, this is very hypothetical that it this be passed even at the legislation. I am certain you see the union endorsements all over television during election season. They will be calling their phone how they call my phone.

Councilmember Chock: It is only fifty percent (50%) and not the entire amount.

Council Chair Kaneshiro: It is not eliminating, but adjusting the credit of sick leave. I am not certain that it is a check. Councilmember Kualii'i.

Councilmember Kualii'i: I believe we need to be clear with the difference between using the sick leave for credit towards retirement versus the cash out of sick leave. I do not have the contract in front of me. I would imagine that they contract says, obviously as the law requires, that the vacation earned is a cash value. On the day you leave, you will be written a check for any remaining vacation that you have. I do not believe legally or in our contract...I hope not, that says our sick leave has a cash value. The only value it has is that if you are sick, you use the sick leave. If management has taken on a practice of allowing someone at the end of their employment to take the sick leave before they end up leaving, that is bad practice, and bad management. It is not that the rules are bad, it is not a bad contract by the union; it is bad application of the law and of the contract. I am guessing, and this is my thoughts on this without seeing the contract in the front of me. The sick leave does not have cash value. If it does not, why would we take away the value that it does have for retirement? In other places, it has no value, you need to "use it or lose it." For government employees whether State or County, we have a better contract or value. Reiko, please do not tell me that I am wrong.

There being no objections, the rules were suspended.

REIKO MATSUYAMA, Finance Director: Reiko Matsuyama, Director of Finance. Sick leave is not a compensable item. When you retire, you do not get paid out for sick leave, you will only get paid out for vacation and compensation time. You are not able to use your sick leave to qualify for years of service. For example, if you are trying to reach thirty (30) years and you have two (2) years of sick leave, it is to my understanding that you are not able to retire at twenty-eight (28) years and use the sick

leave to get to thirty (30) years. However, you are able to use it as the multiplier to calculate your total pension.

Councilmember Cowden: Are you able to please explain what that means?

Ms. Matsuyama: Okay, yes, Jill is coming. For pension, you have your years of service multiplier. That is how they calculate what your retirement is. You are able to use your sick leave earned to add to your years of service to increase that multiplier. It does increase what you receive upon retirement.

Council Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: You are saying for these people who are accumulating one (1) year of sick leave or what have you, they will not get paid out for this upon retirement?

Ms. Matsuyama: No, they will not receive a check for their sick leave.

Councilmember Kagawa: We know of employees who regularly call in sick once a week. They will lose out on their sick leave being that they come to work?

Ms. Matsuyama: Again, it will count towards their pension calculation.

Councilmember Kagawa: That is their benefit. You want to accumulate so your sick leave will add to your pension calculation. Okay. I do not have a lot of sick leave, therefore I do not have that problem.

Council Chair Kaneshiro: Does that clear up your questions? It is not a check and it will only affect their pension calculation. It is only a portion of the entire calculation. Thank you Reiko. Are there any other questions from the members? With that, we will take public testimony. Mr. Sykos.

Mr. Sykos: For the record...Glenn Mickens came here for twenty-three (23) years complaining about the missed pavement of our roads. I have been coming here over a decade, I may beat Mr. Mickens record someday. Over the mismanagement regarding our Human Resources, the first thing I would like to point out...thank you Councilmember Kagawa and Councilmember Chock for bringing this up. If you do not use your sick leave and you come to work every day, you basically get paid twice in your retirement. If you use your sick leave all the time and it does not build up, when you retire, your sick leave account is smaller and nonexistent because they used it all, right. You are at the same number of days at work, whether you take sick leave or not, there are the same number of days on payroll. If you do not take sick leave, you are able to add sick leave onto your retirement. From the taxpayers' perspective, that does not make any sense financially. If you do not get sick, and you do not use your sick leave, that should be added to your retirement. It is what the contract says, it is what it is, but it does not make any sense financially when you are trying to control costs. Secondly, the spiking and overtime, this is why we have a Department of Human Resources. Our Department of Human Resources is being *'opihi*,

clinging to the distant past, and does not address the issues that are facing us today. Not only do we have these Department of Human Resources issues with retirement, et cetera, we also have issues with our daily operation and our employees. This is no more wasteful for the public who is watching this than it is to say, "Take the maintenance person at the Kaua'i War Memorial Convention Hall and make him sit in the parking lot for fourteen (14) months." This is wasting a lot of money and we the public is supportive of trying to control the wasting of our money. Thank you.

Council Chair Kaneshiro: Mr. Hart.

Mr. Hart: For the record, Bruce Hart. I believe Councilmember Chock and Councilmember Kagawa introduced this so we are able to have this discussion. I am listening to all of the Councilmembers. I agree with some of what Councilmember Kualii is saying. I am advocating the discussion, which is why I would have voted for the first bill to move forward. This Bill is the same thing. I would like the discussion. At times, it is really difficult to be on this side. I do not have anything against the County employees. I love all of them, and all that I know who are in here. I am trying to address the same issues as Councilmember Chock and Councilmember Kagawa, which is that we are going to have an eight million dollar (\$8,000,000) deficit, and what do we do? At some point, we need to have the discussion, and we need to solve the problem. It is similar to housing. If we do not solve the problem and if we do not do anything, I as a person of the public will be upset with you if you do not do anything about these problems and kick the can down the road. For me, that is what it is about. My perspective for the sick leave is that I do not want to do anything to discourage people from being healthy. Not only in the County, but every employee should have the incentive to stay healthy. That would really save a lot of money in medical bills, insurance, and all the different benefits that we have. If they are not sick, they will not go to the doctor. That will save money. Thank you.

Council Chair Kaneshiro: Is there anyone else wishing to testify?
Mr. Sykos.

Mr. Sykos: For the record, Lonnie Sykos. The Bills are certainly not perfect. My purpose in coming here today was for this entire conversation. I feel that we need to continue to hold the conversation. I agree with Council Chair Kaneshiro that it is most likely not in our interest to proceed to the other counties and present to HSAC items that we do not understand and fully support. This is why we need more conversation regarding this. We need to control our costs. I am not from Kaua'i, I am older than most of you, I have been a legal resident alien in a foreign country, and I have lived in different jurisdictions. I will say that everywhere in the world I have ever lived, basically struggles with the same problems. For example, how do you provide housing, how do you control food costs, how do you provide affordable transportation services, and how do you not find yourself going bankrupt down the road. These problems need to be proactively addressed. There is no silver bullet and someone saying that we are finally fixing things. This is an endless and constant process. We need to figure out how we are going to control our costs or we are able to privatize services. There are a lot of American communities that have done this successfully. If we are not able to control the overtime at the landfills, put it out for private bid. There are people who do this all over. Let the Department of Public Works be a bidder for providing trash services, which will rapidly clean up the overtime, or get a private company to do it. There are many services that the County provides that have been

successfully privatized in other places. This is a nuclear option; however, if the State Legislature and the unions cannot figure out a path to not bankrupt the County Council and the individual taxpayers, then the only option is to cut the budget drastically. We need to come up with eight million dollars (\$8,000,000) for retirement. In the next budget session, tell the mayor to cut eight million dollars (\$8,000,000). If we do not address these problems and change how the system works, sooner or later that will be our only option. Thank you.

Council Chair Kaneshiro: Is there anyone else? Councilmember Kualii, do you have a question? Jill.

Councilmember Kualii: Hi, Jill. Thank you for rushing over. The Director of Finance did clarify for us that the sick leave is not compensable, so you are not able to cash out sick leave at the end of your County employment. There was discussion about the multiplier effect. How does the sick leave and the multiplier effect on retirement work? Say you have one hundred (100) hours remaining in your account when you retire, what happens to those hours?

JILL NIITANI, Human Resources Manager II: For the record, Jill Niitani, Human Resources Manager. At the time of termination or separation from the County, an audit is done for sick leave accruals and for vacation being that it is paid out. For sick leave, everything is reviewed to ensure we have the exact sick leave balance. Being that there is a payroll lag of one (1) pay period, you need to review and account for everything that had taken place up until the last day of work. Once that is done, that information is sent off to ERS. If the balance is greater than sixty (60) days, which is four hundred eighty (480) hours, you are able to use that towards the multiplier. Based on the type of retirement plan you have; Contributory, Hybrid, et cetera, there is a percentage. The percentage is calculated in the following formula of the percentage multiplier times the years of service. The years of service is a little different in order to generally qualify for retirement. In addition, you are able to add on the sick leave amount, not one-to one (1-1), but a twenty (20) day per one (1) month calculation. For every twenty (20) days that you have, you are able to add in an extra month towards your years of service for that calculation to determine how much your monthly pension. The ERS will not consider this unless you have at least four hundred eighty (480) hours. You do not get a payout like you would get for your vacation balance.

Councilmember Kualii: For one hundred (100) hours picking a categories, do you have an estimate on what the value would be?

Ms. Niitani: For example, the Hybrid Plan. The multiplier is one point seven five percent (1.75%). If you multiply that by the years of service which will include sick leave...

Councilmember Kualii: Say it is ten (10) years.

Ms. Niitani: Ten (10) years.

Councilmember Kualii: Is that what you need to retire? Ten (10) or more?

Ms. Niitani: It depends on when you started, yes, generally ten (10) years. If you multiply that with the average final compensation of three (3) years or five (5) years.

Councilmember Kualii: The top three (3). It is obvious that it would vary widely from one (1) employee to the next based on their compensation level and their years of service.

Ms. Niitani: Yes.

Councilmember Kualii: Is this part of the retirement benefits now?

Ms. Niitani: Yes.

Councilmember Kualii: The sick leave is already accrued based on their earning.

Ms. Niitani: Yes.

Councilmember Kualii: I meant to say unused sick leave. Okay, that is it for now.

Council Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: You said non-compensatory. You will not get a large lump-sum payment, but you will get paid monthly for it, right? If it is more than sixty (60) days and it factors into your retirement.

Ms. Niitani: Yes.

Councilmember Kagawa: You will not get paid once, but you will receive monthly payments for what you do not use, right?

Ms. Niitani: Yes, it will depend how long you are collecting, it could add up.

Councilmember Kagawa: It could be more than the lump-sum payment if you live longer than they estimate, right?

Ms. Niitani: It would really depend on the amount of sick leave that you have.

Councilmember Kagawa: To your knowledge, do you know how many hours people have? Is it a few years of sick leave?

Ms. Niitani: Yes, the most I have ever seen is approximately two thousand five hundred (2,500) hours.

Councilmember Kagawa: How many years is that?

Councilmember Cowden: It is a little over a year.

Councilmember Kagawa: I feel that Councilmember Kualii is stating that this is a small issue. Unused sick leave is a huge problem financially, right? It can be.

Ms. Niitani: It can be.

Councilmember Kagawa: I do not know if it is a lot bigger. If you receive monthly payments verses one (1) payment, it is still money out of the taxpayers pocket and out of the fund which continuously grows. It is a big problem if you do not use it and you retire, right?

Ms. Niitani: Yes, it depends how you look at it.

Councilmember Kagawa: If you take three thousand (3,000) divided by eight (8) will equal how many days? What is the amount of hours in sick leave for people that will be retiring? It is not small issues.

Ms. Niitani: It will be approximately three hundred seventy-five (375) days.

Councilmember Kagawa: Three hundred seventy-five (375) days is how much...no one works three hundred sixty-five (365) days. How many years of work is that?

Ms. Niitani: That would come out to about nineteen (19) additional months of service.

Councilmember Kagawa: That is almost two (2) years.

Ms. Niitani: Yes, it is really...I am sorry.

Councilmember Kagawa: In the private sector, they have ten (10) days, teachers have fifteen (15) which is sick and vacation combined, regular employees receive twenty-seven (27) days more than teachers. This is a significant amount of days.

Council Chair Kaneshiro: Councilmember Evslin.

Councilmember Evslin: Is the rationale for twenty (20) days equaling one (1) month of service which is the average number of work days in a month.

Ms. Niitani: Yes.

Council Chair Kaneshiro: For me, the way I look at it is having an employee not sick and working is more productive than having an employee say, "Instead of accruing my sick leave I am going to call in sick. If not, I will lose my sick leave if I am not there." If so, you will minus an employee from being at work and it will affect everyone. To me, it will make sense if they do not use it and they get a portion. It is not a 1-1 ratio. If they call in sick and not working, they receive one hundred percent (100%) of their pay for that day. If it is being accrued, they will only get a small portion that is calculated into their pension. I believe having it accrued is fair rather than receiving a large lump-sum payment when parting the County. It is

an incentive to not abuse sick leave and using sick leave throughout the year when they are not sick. Could you imagine the Department of Motor Vehicles (DMV) or a similar department where we need all of our employees to say, "If I do not use my sick leave while I am working, I will lose a portion of the earned time." Everyone will then be calling in sick. Can you imagine how our lines would be especially if they are not really sick? Councilmember Kuali'i.

Councilmember Kuali'i: When you were explaining the multiplier and you said greater than sixty (60) days...

Ms. Niitani: Sixty (60) days.

Councilmember Kuali'i: Sixty (60) days of sick leave. At the end, if you have less than sixty (60) days of sick leave, then are you not eligible to have any multiplier?

Ms. Niitani: You would use your years of service. Yes, you would not get anything additional.

Councilmember Kuali'i: You do not receive an added credit to your retirement.

Ms. Niitani: Yes.

Councilmember Kuali'i: There is no way you would know off the top of your head. The real question is for percentage wise when our employees are leaving us, how many employees are below the sixty (60) days, how many employees are between sixty (60) days and four hundred (400) or five hundred (500) days, and how many...is there an outlier there? It is crazy, you shared an example of two thousand five hundred (2,500) being that they were employed for ten (10) years, and they have never once called in sick. It is a large amount.

Ms. Niitani: Yes.

Councilmember Kuali'i: How does that break down across the County versus the people who are under sixty (60) days who do not qualify, and the people who are way up there. Even when you have this low multiplier effect, they are receiving something significant. It would be good to see how it all breaks down. I would think that management would be paying attention to that. If we have sick leave balances, and very few or none are less than sixty (60) days, everyone will have a large amount of sick leave. In some work places, nonprofits et cetera, they have evaluated their sick leave over time. They are giving their employees more sick leave being that they have the "use it or lose it" system. At the end of the year, they are taking away or writing off all of the unused sick leave. It is too much. No one is having enough sick leave or there are very few who are. There are other leaves such as catastrophic illness and situations. You should be generally looking at that. It is obvious that on the flip side you have sick

leave, how it is being managed, and the abuse of sick leave. This is pertaining to unused sick leave.

Council Chair Kaneshiro: Are there any other questions from the members? Thank you, Jill.

There being no objections, the meeting was called back to order, and proceeded as follows:

Council Chair Kaneshiro: Are there any comments from the members?
Councilmember Kagawa.

Councilmember Kagawa: We know who will be voting "no" and who will be voting "yes." To me, we are wasting time going through all of these motions. These proposals did not come from genius Kagawa or genius Chock, it came from ERS. ERS said, "Do you want to fix your eight million dollar (\$8,000,000) increase?" The geniuses are Thomas Williams and Wesley Machida who told us what to do. We did not pretend to be sick leave experts. This came from the experts who told us what to do to fix our eight million dollar (\$8,000,000) deficit. If you do not like the plan, do not blame me. I am not a sick leave expert. All you need to do is vote "no." I am going to vote "yes," if you do not like it then vote "no." It is not about this person is not going to come work and the production will go down. It is not about that. This is about ERS who told us that the entire State as a big problem. The County Council has a big problem, if you have the courage, you are able to do this. If you are scared, all you need to do is vote "no." I appreciate the ones who vote "no" because they are hesitant, or because the union is telling them this and that, I received the same letters. Right now, I am not able to see us having to pay for the eight million dollar (\$8,000,000) tab. We have a hard time passing a two cent (\$0.02) gas tax. How are you able to raise eight million dollars (\$8,000,000)? I do not see it happening. I have people who are telling me, "You should put a cap on the property tax rates." They are tired of seeing their values go up because of neighbors buying and selling, and they did not move their entire life. That is what I receive, is tax reduction requests. I do not get tax increase requests. As I have mentioned, vote "yes" or "no." I am willing to take big steps to solve the problems on Kaua'i. As Councilmember Chock mentioned, if you have other measures to solve the problems on Kaua'i, bring it forward. If you do not agree on my proposal, vote it down.

Council Chair Kaneshiro: Councilmember Evslin.

Councilmember Evslin: I am going to share the same comments as I did the last time. I respect the work that you folks have done with thinking out of the box. The discussion is necessary. A dissenting opinion is a necessary part of this discussion. We should be talking about it here at this venue. I struggled quite a bit with the last proposal, this proposal is clearer. When someone does not use their sick leave, the County and taxpayers benefit. The current calculation is a fair allocation. As Council

Chair Kaneshiro mentioned, when someone goes out sick, we either have lower levels of service. An example are the long lines at the DMV or someone using overtime to cover that person being out. I feel that this would have to be a reverse incentive, that would in essence incentivize people to use up all of their sick leave before they retire. If so, there would be consequences that we do not want to see. A part of this discussion is (Inaudible) how is this paid for? If it is not on this measure, what will it be? Briefly, our role here is to sustainably manage our budget. For example, investing in our commercial centers to generate property tax revenue, that is an example of being sustainable. It is not directly budget related, but it helps us ensure the fiscal solvency of this County. During the budget, I introduced a proposal of a small increase in TVR, hotel, investor taxes, and a decrease in all resident taxes which would have raised four million five hundred thousand dollars (\$4,500,000). There are ways of raising substantial sums of money without touching resident taxes. I believe we need to be creative in that way. Thank you folks for bringing this up for discussion.

Council Chair Kaneshiro: Councilmember Chock, and then Councilmember Cowden.

Councilmember Chock: Thank you, Mr. Chair. Thank you everyone for the discussion. There is a few things that come up that is not being discussed. One, is the volatile nature of the market which we have no control over. While we have a thirty (30) year projected timeframe to be in compliance with this Bill, there are chances that it may be fifty (50) years or longer, which is the root for the discussion in how we address this. If we do not have ERS, everyone will suffer. Every worker now will suffer and those forthcoming. We need to get this under control. It is good that we have a good market and that ERS has revamped some things that they are doing. They are saying, "You want safeguards, take a look at this." You need to take a look at examples on how you are able to be sustainable, which is what we are trying to do. They took big steps. In 2012, they said everyone else will not get these benefits. I am not trying to take benefits away from employees hired prior to 2012. I am saying to consider a reduction so they do not use it as a tool to raise their pension and retirement. That is all I am saying, thank you.

Council Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: I am taking a different position for this. I feel that we really need to support our employees that have perfect attendance. We need to reward and honor that commitment. I believe what we save in terms of retirement, we will earn in terms of encouraging efficiency. When we have the commitment to consistency and showing up to work daily, that will make the flow better. I use the metaphor of "Swiss cheese." When I look at the many holes that are in our systems and employment levels, and in the higher positions, there are so many vacancies. I am not willing to support this Bill. When I look at it being twenty (20) days per month instead of the full amount and one point seven five percent (1.75%) is the multiplier effect, it is

not that large of a number. I do not see any lack of integrity on the part of the employee that could be inferred by showing up to work daily. I am not able to find ways to deprive them of having perfect attendance. I am voting “no.”

Council Chair Kaneshiro: I will be voting “no.” If ERS felt strongly about this, they should have shared the cost-saving to the County when this was implemented. I have no clue what the cost-saving is going to be. What will the ill effects be? Are we encouraging employees to take sick leave when they are not sick? I am not in agreement with this. I will not be voting for this. Councilmember Kualii.

Councilmember Kualii: For the same reasons in voting “no” on the other bill. Being the State Constitution stating that “the accrued benefits shall not be diminished or impaired.” If you are trying to make or recommend a change, it should be about moving forward and not back to benefits that are already promised to employees’ who are working and have already earned their sick leave. If you think about it, an employee that does not use their sick leave in one way they may not be feeling good but not contagious, they come to work. They are coming to work less than one hundred percent (100%) because they value their job and they want to serve the public. Now, they have accumulated sick leave. As the rules are already in the game, they are able to now apply that to their retirement. They are already in the game, they have earned this, and now you want to suggest taking it away. Negotiations should be for the negotiation table, and there should be something in exchange. For me, I am not responding to any union requests. I only saw this letter now from the UPW when I sat down. I am not afraid of any union. I was raised in a union, in a working-class poor family, therefore I understand working family values and that side of the coin. As a Councilmember, it is my job to be here representing the Administration and management, but it is also my job to represent the workers. For something like this, it is simple to vote “no.” As far as ERS coming to us, it is like going to a child and telling them to tell their parent what to do. Why do they not go straight to the parent? We as individuals are able to go Governor Ige and our own Legislators. This is their *kuleana*, we have our *kuleana*. Our *kuleana* is the budget. Yes, it is a lot of money, but it is a big budget. There are a lot of ways to do it, we need to be bold with our budget. That is our job, that is our *kuleana*.

Council Chair Kaneshiro: Councilmember Kagawa.

Councilmember Kagawa: The reason ERS gave their suggestion is because we asked them. We saw the large bills, and the future bills. We asked ERS. They did not come to us and say, “Hey, you folks should do this.” We asked them. I asked them how are we able to cut our ERS payment. It is not the fault of ERS, we asked them, and they gave us an honest response.

Council Chair Kaneshiro: Is there anyone else? If not, we will take a roll call vote.

The motion to approve the measure in C 2019-195, for inclusion in the County Legislative Package and approve to forward the measure to HSAC for inclusion in the HSAC Legislative Package was then put, and failed by the following vote:

FOR APPROVAL:	Chock, Kagawa	TOTAL – 2,
AGAINST APPROVAL:	Cowden, Evslin, Kualii, Kaneshiro	TOTAL – 4,
EXCUSED & NOT VOTING:	Brun	TOTAL – 1,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Motion fails.

Council Chair Kaneshiro: Motion fails.

Councilmember Kualii moved to receive C 2019-195 for the record, seconded by Councilmember Chock, and carried by a vote of 5:1:1 (*Councilmember Kagawa voting no, Councilmember Brun was excused*).

Council Chair Kaneshiro: The motion is carried to receive. Next item.

Ms. Fountain-Tanigawa: Next item is your Committee Reports.

COMMITTEE REPORTS:

FINANCE & ECONOMIC DEVELOPMENT COMMITTEE:

A report (No. CR-FED 2019-03) submitted by the Finance & Economic Committee, recommending that the following be Received for the Record:

“FED 2019-01 Communication (05/07/2019) from the Director of Economic Development, requesting agenda time to present an update on the Kaula'i Tourism Strategic Plan 2019-2021.”

A report (No. CR-FED 2019-04) submitted by the Finance & Economic Committee, recommending that the following be Approved as Amended on second and final reading:

“Bill No. 2756 – A BILL FOR AN ORDINANCE AMENDING SECTION 5A-1.1, KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO REAL PROPERTY TAX DEFINITIONS.”

Councilmember Chock moved for approval of the reports, seconded by Councilmember Kualii.

Council Chair Kaneshiro: Is there anyone in the audience wishing to testify on this item? These are the Committee Reports.

There being no objections, the rules were suspended to take public testimony.

There being no one present to provide testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Kaneshiro: Seeing none, is there any discussion from the members?

The motion for approval of the reports was then put, and carried by a vote of 6:0:1 (*Councilmember Brun was excused*).

BILL FOR SECOND READING:

Bill No. 2756, Draft 1 – A BILL FOR AN ORDINANCE AMENDING SECTION 5A-1.1, KAUAI COUNTY CODE 1987, AS AMENDED, RELATING TO REAL PROPERTY TAX DEFINITIONS: Councilmember Kualii moved to approve Bill No. 2756, Draft 1, on second and final reading, and that it be transmitted to the Mayor for his approval, seconded by Councilmember Chock.

Council Chair Kaneshiro: Are there any questions on this Bill? I know that there were possible amendments coming forward. Do you have any clarity on that? Are we going to move forward as is? Okay, are there any questions for the Administration on this Bill? Mr. Sykos.

There being no objections, the rules were suspended to take public testimony.

Mr. Sykos: Are you able to clarify what this Bill is about?
All we have is the Bill number.

Council Chair Kaneshiro: The Bill is also online. Councilmember Chock. I do not know who would like to clarify, we have had and heard it before.

Councilmember Chock: This is an amendment to a section in Homestead Exemption for Real Property Taxes. It is meant to address land awards and those who have not been able to clear their title to receive the exemption. Okay, is that good enough?

Council Chair Kaneshiro: Is there anyone in the audience wishing to testify?

Ms. Erie: Alix Erie, for the record. There is one (1) thing that I wanted to bring the last time. A Councilmember mentioned the exploitation of the Homestead Act. I have also witnessed that myself with residential and TVR properties are being registered as Homestead properties. I would like to confirm and state that for being brought up amongst the Council.

Council Chair Kaneshiro: Mr. Sykos.

Mr. Sykos: For the record, Lonnie Sykos. I have a few questions that came up. One (1), I talked to an attorney that I know about the disclaimer that is written into this Bill and the use of ownership is not applicable to anything else aside from this. I will make the observation and know of people on two (2) other islands, and people here on Kaua'i. Through inheritance, they could

have inherited property, but because of the family dynamics, they did not get control, and other members of the family paid the property taxes. Decades later, they lost their claim to the property and the other family members own it. With that being the legal reality, the observation made to me is that this disclaimer is meaningless. The County is in fact supporting the argument that whoever the County puts on the title, is the owner, and will use that against the other potential property owners. In regards to this, if that is to occur, it goes to court, the court will clear the title, and the person/persons that the County previously said were the owners and had accepted property taxes from, the State Land Court tells them they are not the owner or controller. What happens to all of the money that is paid to the County and the County says that you are the owner of the property? In the future, will this allow the County to say, "In 2019, we told you that you were the owner, and in 2022, you are not the owner," because of a legal decision when a title is cleared. What happens if the title is cleared, the person that the County says is the owner is not the owner, and they have paid the County money throughout the years? What kind of mess does that leave us with and how expensive is that going to be for the taxpayers to clean up? I am sorry to throw a wrench into this deal, being that this is needed to protect some people. However, "the devil is in the details."

Council Chair Kaneshiro: Is there anyone else wishing to testify? Is there anyone for a second time?

There being no further testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Kaneshiro: Seeing none. Is there any discussion from the members? Councilmember Kualii.

Councilmember Kualii: I would like to share a little information from the Committee Meeting. After hearing some of the testimony and from the Administration, I talked about working on two (2) possible amendments. One (1), giving the Director of Finance the authority to waive, and also the retroactivity for back taxes and circumstances such as *kuleana* lands from multiple families for many years. After hearing back from the Director of Finance, thank you Reiko. They provided me with information that they already have existing mechanisms within the County. It is in the Kaua'i County Code, and I am happy to share this information. There is a five thousand dollar (\$5,000) amount with the Director, and anything beyond that is with the Council. The (Inaudible) comprises there, compromise or deletion of delinquent taxes. Thank you.

Council Chair Kaneshiro: Is there anyone else? Councilmember Chock.

Councilmember Chock: I would like to thank Councilmember Evslin, the Councilmembers, the Director of Finance, and Brad from Real Property Tax for stepping up and figuring this out. Thank you, Todd Jenson with the Office of the County Attorney. There is a little more work to do, which is why we have slated the work to be done by the Administration. We will not be looking at relief until the next cycle which will happen in September 2020. It is not going to happen right away, but we are looking forward to how that will play out. We have a three (3) year period for this. We will be looking at it to ensure there is no abuse happening. I will say that

we are not making any claims to ownership. This is not clear title. If we are going on the basis of who is paying the property taxes, the claim will have stronger implications now being that they are paying three (3) or four (4) times more than they would be under the Homestead Exemption Act. I do not believe that is an issue, but I appreciate the concern. Thank you, Mr. Chair.

Council Chair Kaneshiro: Is there anyone else? Councilmember Evslin.

Councilmember Evslin: I would like to express my appreciation for all the work that so many people put into this. Especially to the Department of Finance, Jenelle, and Councilmember Chock. This was a collaborative effort. We went into this without any clear idea and direction. I believe we are at a good place that will certainly help some families hold on to their ancestral land. This is vitally important. As we talked about the last time, this is the first step towards a larger problem. I am hoping this will give tax relief to some families as we figure out other methods to help families to hold onto their land that is affected by problems, and not directly related to this. I also believe this Bill is a work in progress. If it comes down the line where the Department of Finance is seeing issues, we all need to be willing to adapt it as necessary in order to work and fit the problem and resources that we have available at the Department of Finance. Thank you to everyone who worked on this, thank you to our Councilmembers for making this a stronger Bill through our discussion.

Council Chair Kaneshiro: Councilmember Chock, then Councilmember Cowden.

Councilmember Chock: I am sorry. I completely forgot to thank Jenelle. If it is not for Jenelle and our staff, nothing would seriously get done around here. She does it all, really, thank you.

Council Chair Kaneshiro: Councilmember Cowden.

Councilmember Cowden: I would like to restate how deeply I support this Bill. I have been inclined working parallel until I discovered that it was already in the process. This comes deep from my heart. Although it is only the first step, it is very important. It is not leaving it open to quiet titling issues as I believe Mr. Sykos previously discussed. We have been careful in looking at that. It does not clear title, but it will hopefully help people hold onto their land.

Council Chair Kaneshiro: Is there anyone else? If not, we will take a roll call vote.

The motion for approval of Bill No. 2756, Draft 1 on second and final reading, and that it be transmitted to the Mayor for his approval, was then put, and carried by the following vote:

FOR APPROVAL:	Chock, Cowden, Evslin, Kagawa, Kualii, Kaneshiro	TOTAL – 6,
AGAINST APPROVAL:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	Brun	TOTAL – 1,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Ms. Fountain-Tanigawa: Six (6) ayes.

Council Chair Kaneshiro: Clerk, can you please read us into Executive Session?

(Councilmember Kagawa was noted as not present.)

EXECUTIVE SESSION:

ES-1003 Pursuant to Hawai'i Revised Statutes (HRS) Sections 92-4 and 92-5(a)(2), and (4), the purpose of this Executive Session is to consider matters that require confidentiality under state law, to wit, the hiring of a County Auditor, including interviewing any candidates, and terms and conditions of employment. The further purpose of this Executive Session is to meet with the Council's legal counsel on questions and issues relating to the Council's powers, duties, privileges, immunities, and liabilities as it relates to this agenda item: Councilmember Chock moved to convene in Executive Session for ES-1003, seconded by Councilmember Evslin.

Council Chair Kaneshiro: Is there anyone in the audience wishing to testify on this item? Mr. Sykos.

There being no objections, the rules were suspended to take public testimony.

Mr. Sykos: For the record, Lonnie Sykos. The public is greatly interested in the progress or lack of progress you may or may not be making regarding the hiring of an auditor. At the appropriate time, we would love to hear any good news that you have to share. Thank you.

Council Chair Kaneshiro: Thank you, is there anyone else?

Ms. Erie: Alix Erie. I would like to ask what the minimum qualifications required for a County Auditor. Someone may have the content and experience to do auditing, but may not be a Certified Internal Auditor (CIA) or a Certified Public Accountant (CPA).

Council Chair Kaneshiro: It is spelled out in the Charter, and we are able to provide you a copy.

Ms. Erie: Okay.

Council Chair Kaneshiro: Is there anyone else?

There being no further testimony, the meeting was called back to order, and proceeded as follows:

Council Chair Kaneshiro: Roll call vote.

The motion to convene into Executive Session for ES-1003 was then put, and carried by the following vote:

FOR EXECUTIVE SESSION:	Chock, Cowden, Evslin, Kagawa, Kuali'i, Kaneshiro	TOTAL – 6*,
AGAINST EXECUTIVE SESSION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	Brun	TOTAL – 1,
RECUSED & NOT VOTING:	None	TOTAL – 0.

*(*Pursuant to Rule No. 5(b) of the Rules of the Council of the County of Kaua'i, Councilmember Kagawa was noted as silent (not present), but shall be recorded as an affirmative for the motion.)*

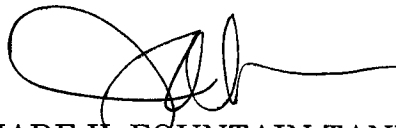
Ms. Fountain-Tanigawa: Five (5) ayes.

Council Chair Kaneshiro: We will be back for public hearing at 1:30 p.m.

ADJOURNMENT.

There being no further business, the Council Meeting adjourned at 11:08 a.m.

Respectfully submitted,



JADE K. FOUNTAIN-TANIGAWA
County Clerk

:ks

